

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, for the record, what is the pending matter before the Senate?

The PRESIDING OFFICER. The pending bill is presently open to amendment. The bill is S. 3248, the Housing and Urban Development bill.

Mr. BYRD of West Virginia. I thank the distinguished Presiding Officer.

ORDER FOR RECOGNITION OF SENATOR BEALL ON FRIDAY, MARCH 3, 1972

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on Friday, following the recognition of the two leaders under the standing order, the

distinguished Senator from Maryland (Mr. BEALL) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON FRIDAY NEXT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, following the remarks of the distinguished Senator from Maryland (Mr. BEALL) on Friday, there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9:45 a.m. After the two leaders have been recognized under the standing order, the distinguished Senator from Illinois (Mr.

PERCY) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes, at the conclusion of which the Chair will lay before the Senate the unfinished business, S. 3248.

Following the disposition of S. 3248, the majority leader has indicated that the Senate would proceed, but not necessarily in the order stated, to the consideration of H.R. 12910, to increase the public debt limit and/or to the conference report on foreign aid appropriations, 1972.

There will be rollcall votes on tomorrow.

ADJOURNMENT UNTIL 9:45 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9:45 a.m. tomorrow.

The motion was agreed to; and (at 5:39 p.m.) the Senate adjourned until tomorrow, Thursday, March 2, 1972, at 9:45 a.m.

HOUSE OF REPRESENTATIVES—Wednesday, March 1, 1972

The House met at 12 o'clock noon. The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Cast all your care upon Him, for He careth for you.—I Peter 5: 7.

Almighty God, who hast made us for Thyself and who dost keep our hearts restless until they find rest in Thee, at this noontime moment of prayer we turn to Thee for insight and inspiration that we may live well this day and all days.

We commend our Nation to Thee that being guided by Thy grace and strengthened by Thy spirit she may walk in the ways of freedom, justice, and peace forever. Bless our President, our Speaker, the Members of this body, and all who work with them. Fill their minds with wisdom and understanding, their hearts with love and good will, and keep them ever mindful of Thy presence with an eagerness to do Thy will.

In the mood of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

HAPPY WEDDING ANNIVERSARY, DR. LATCH

Mr. MAHON. Mr. Speaker, it is always pleasant to take note of events that relate to happiness. Edward Gardiner Latch became Chaplain of the House of

Representatives on March 14, 1966, and he has been a tremendous force for good in the House throughout these years. His charm, his wit, his compassion, and especially his deep religious devotion have meant so much to us. He and his devoted wife, Rieta, were married 46 years ago today. Rieta is one of the wonderful women of our time.

So, Mr. Speaker, I am glad to have this opportunity to take note of this 46th wedding anniversary of the distinguished Chaplain of the House, our friend, Edward Gardiner Latch.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished Speaker of the House.

Mr. ALBERT. Mr. Speaker, I commend the gentleman for informing the House that this is the wedding anniversary of our beloved Chaplain, Dr. Edward D. Latch.

Our Chaplain is a pillar of strength to every Member of this House. He is a pillar of strength in the House itself. For 6 years his spiritual leadership has helped sustain us all.

I have served with three Chaplains and I have read the prayers of many Chaplains. Dr. Latch is one of the great Chaplains in the history of the Congress of the United States, in either House. His prayers are a legacy of devotion to things of the spirit. They will forever remain a very important part of the chronicles of this Chamber. I join the gentleman from Texas in congratulating our Chaplain and his beloved wife, Mrs. Latch, on this occasion of their 46th wedding anniversary.

Mr. MAHON. Mr. Speaker, anent the

remarks just made, I am reminded of the prayer of King Claudius in Shakespeare's "Hamlet":

My words fly up, my thoughts remain below: Words without thoughts never to Heaven go.

I am convinced Mr. Speaker, that the prayers of our Chaplain ascend to heaven.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. ARENDS. Mr. Speaker, I am very, very pleased that the distinguished gentleman from Texas has called the attention of the Members of this House to the 46th wedding anniversary of our beloved Chaplain and his wife.

Long before he came to the House of Representatives as Chaplain, I was privileged to be, shall I say, one of his parishioners, where on almost every Sunday I had the opportunity of listening to this wonderful man of God who preached so beautifully and so inspiringly. Nothing pleased me more than when he was named Chaplain of this great body—the House of Representatives.

To him and to his wonderful wife, Rieta—on this their 46th anniversary, my wife and I extend heartiest congratulations and best wishes with the hope that God will grant them many, many more years together.

Mr. MAHON. Mr. Speaker, I thank the distinguished gentleman from Illinois.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker,

I deeply appreciate the opportunity to join with the others in extending to Dr. Latch my very best wishes on this very memorable occasion.

Dr. Latch, since he has joined us in the House, has maintained the high standards of his predecessors and has looked after his flock in the House as he looked after the members of his congregation before he came to this body.

Dr. Latch has been an inspiration to all of us, and I hope he has many more years of good health and happiness.

Mr. MAHON. I thank the gentleman.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONFERENCE REPORT ON S. 602, DISPOSITION OF JUDGMENTS RECOVERED BY CONFEDERATED SALISH AND KOOTENAI TRIBES

Mr. ASPINALL submitted the following conference report and statement on the bill (S. 602) to provide for the disposition of judgments, when appropriated, recovered by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont., in paragraphs 7 and 10, docket numbered 50233, U.S. Court of Claims, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92-892)

The Committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the Bill (S. 602) to provide for the disposition of judgments, when appropriated, recovered by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana, in paragraphs 7 and 10, docket numbered 50233, United States Court of Claims, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment, insert the following:

That the funds appropriated to the credit of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana, in satisfaction of judgments awarded in paragraphs 7 and 10 in docket numbered 50233, United States Court of Claims, including interest thereon, after payment of attorneys fees and other litigation expenses, shall be used as follows: 85 per centum thereof shall be distributed in equal per capita shares to each person who is enrolled or entitled to be enrolled on the date of this Act; the remainder may be advanced, expended, invested or reinvested for any purposes that are authorized by the tribal governing body and approved by the Secretary of the Interior.

Sec. 2. Any part of such funds that may be distributed to members of the Tribes shall not be subject to Federal or State income tax.

Sec. 3. Sums payable under this Act to enrollees or their heirs or legatees who are less than eighteen years of age or who are under a legal disability shall be paid in accordance

with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

And that the House agree to the same.

WAYNE N. ASPINALL,
JAMES A. HALEY,
JOHN MELCHER,
SAM STEIGER,
JOHN H. TERRY,

Managers on the Part of the House.

GEORGE MCGOVERN,
QUENTIN N. BURDICK,
LEE METCALF,
PAUL J. FANNIN,
CLIFFORD P. HANSEN,

Managers on the Part of the Senate.

JOINT STATEMENT OF THE COMMITTEE OF CONFERENCE

The Managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the Bill (S. 602) "to provide for the disposition of judgments, when appropriated, recovered by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana, in paragraphs 7 and 10, docket numbered 50233, United States Court of Claims, and for other purposes," submit this joint statement in explanation of the language agreed upon by the managers and recommended in the accompanying conference report.

The Senate passed bill authorized the entire amount of the judgments to be used for any purpose requested by the tribal governing body and approved by the Secretary.

The House amendment required 90% of the judgments to be distributed per capita, and authorized the remainder to be used as provided in the Senate bill.

At the time of the House hearing the Tribe, by formal resolution, proposed the 90% per capita. The Department concurred. This resolution reflected a compromise with the off-reservation members who wanted a 100% distribution. The off-reservation members constitute about one-half the Tribe and do not receive any substantial benefit from money spent on reservation programs.

After the House hearings, the Tribal Council passed a new resolution asking for an 80% per capita distribution. The off-reservation members objected.

The Conferees compromised the issue by agreeing on an 85% per capita distribution.

WAYNE N. ASPINALL,
JAMES A. HALEY,
JOHN MELCHER,
SAM STEIGER,
JOHN H. TERRY,

Managers on the Part of the House.

GEORGE MCGOVERN,
QUENTIN N. BURDICK,
LEE METCALF,
PAUL J. FANNIN,
CLIFFORD P. HANSEN,

Managers on the Part of the Senate.

CONFERENCE REPORT ON S. 671, DIVISION AND DISPOSITION OF FUNDS APPROPRIATED TO PAY JUDGMENT IN FAVOR OF BLACKFEET TRIBE AND GROS VENTRE TRIBES

Mr. ASPINALL submitted the following conference report and statement on the bill (S. 671) to provide for division and for the disposition of the funds appropriated to pay a judgment in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., and the Gros Ventre Tribe of the Fort Belknap Reservation, Mont., in Indian Claims Commission docket numbered 279-A, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 893)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 671) to provide for division and for the disposition of the funds appropriated to pay a judgment in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., and the Gros Ventre Tribe of the Fort Belknap Reservation, Mont., in Indian Claims Commission docket numbered 279-A, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment, insert the following:

That the funds appropriated by the act of October 21, 1968 (82 Stat. 1190, 1198), to pay a judgment to the Blackfeet Tribe of the Blackfeet Indian Reservation, Montana, and the Gros Ventre Tribe of the Fort Belknap Reservation, Mont., in Indian Claims Commission docket numbered 279-A, together with interest thereon, after payment of attorney fees, litigation expenses, and the cost of carrying out the provisions of this act, shall be divided by the Secretary of the Interior on the basis of 73.2 percent to the Blackfeet Tribe and 26.8 percent to the Gros Ventre Tribe.

SEC. 2. The sum of \$5,671,156 from the funds credited to the Blackfeet Tribe under section 1 of this act shall be distributed per capita to each person whose name appears on or is entitled to appear on the membership roll of the Blackfeet Tribe, and who was born on or prior to and is living on the date of this act. The sum of \$2,100,000 from the funds credited to the Gros Ventre Tribe under section 1 of this act shall be distributed per capita to all members of the Fort Belknap community who were born on or prior to and are living on the date of this act and (a) whose names appear on the February 5, 1937, payment roll of the Gros Ventre Tribe of the Fort Belknap Reservation, or (b) who are descended from a person whose name appears on said roll, if such member possesses a greater degree of Gros Ventre blood than Assiniboine blood. If such member possesses equal quantum of Gros Ventre and Assiniboine blood he may elect to participate in the per capita distribution authorized by this section, in which event he shall not be eligible to participate in any per capita distribution of an Assiniboine judgment. A share or interest payable to enrollees or their heirs or legatees who are less than 18 years of age or under legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary determines appropriate to protect the best interest of such persons.

SEC. 3. The balance of each tribe's share of the funds may be advanced, expended, invested, or reinvested for any purposes that are authorized by the respective tribal governing bodies and approved by the Secretary of the Interior.

SEC. 4. None of the funds distributed per capita under the provisions of this Act shall be subject to Federal or State income taxes, and the per capita payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act. The provision of this section regarding eligibility for assistance under the Social Security Act is enacted in recognition of unique circumstances applicable to the tribes involved, and shall not be regarded as a precedent or as a general policy for application to other tribes.

SEC. 5. The Secretary of the Interior is

authorized to prescribe rules and regulations to carry out the provisions of this Act.
And the House agree to the same.

WAYNE N. ASPINALL,
JAMES A. HALEY,
JOHN MELCHER,
SAM STEIGER,
JOHN H. TERRY,

Managers on the Part of the House.

GEORGE MCGOVERN,
QUENTIN N. BURDICK,
LEE METCALF,
PAUL J. FANNIN,
CLIFFORD P. HANSEN,

Managers on the Part of the Senate.

JOINT STATEMENT OF THE COMMITTEE OF
CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 671) "to provide for division and for the disposition of the funds appropriated to pay a judgment in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., and the Gros Ventre Tribe of the Fort Belknap Reservation, Mont., in Indian Claims Commission docket numbered 279-A, and for other purposes," submit this joint statement in explanation of the differences between the Senate passed bill and the House amendment in the nature of a substitute, and in explanation of the language agreed upon by the managers and recommended in the accompanying conference report.

1. The Senate-passed bill authorized a \$150 per capita payment to the members of the Blackfeet Tribe, but made no provision for the use of the balance of the tribe's share of the judgment.

The House amendment provided for a per capita distribution to the members of the tribe of \$5,671,156, which is approximately 89 percent of the Blackfeet share of the judgment, and for use of the remainder of the Blackfeet share of the judgment in any manner authorized by the tribe and approved by the Secretary.

The conferees agreed to this part of the House amendment. It reflects the wishes of the tribal governing body, and was recommended by the Department of the Interior.

2. The Senate-passed bill made no provision for the use of the Gros Ventre share of the judgment.

The House amendment provided for the same use of the Gros Ventre share that is provided for the Blackfeet share (89 percent for per capita distribution and 11 percent for reservation programs). The tribe and the Department both agree.

The conferees agreed to this part of the House amendment, with a limitation that permits a Gros Ventre Indian to receive a per capita payment only if he possesses a greater degree of Gros Ventre blood than Assiniboine blood, or if he possesses equal quantum of Gros Ventre and Assiniboine blood and he elects to participate in the Gros Ventre judgment rather than in any Assiniboine judgment. Both Gros Ventre and Assiniboine Indians live on the Fort Belknap Reservation, and many of them have intermarried. Both tribes have claims against the United States. No Indian should be regarded as a member of both tribes at the same time when tribal funds are distributed, and the limiting language agreed upon will prevent that result.

3. The Senate passed bill provided that no part of a per capita payment may be considered in determining eligibility for public assistance, meaning assistance under the Social Security Act.

The House amendment deleted this provision.

The conferees agreed to the Senate provision, with an addition that bases the Social Security Act language on the unique circumstances that are applicable to these two

tribes. The present winter in Montana has been unusually severe, causing many Indians to be added to the relief rolls. Their eligibility for relief should not be affected by a distribution of this judgment, which was recovered 5 years ago, and which would not have been a factor in relief administration in the unusually severe winter of 1972 if it had been distributed in a timely manner.

The conferees regard this as a unique situation which is not intended to impair the general policy that Indians are entitled to participate in the Social Security Act programs equally with all other citizens, and are not entitled to special privileges under that act.

WAYNE N. ASPINALL,
JAMES A. HALEY,
JOHN MELCHER,
SAM STEIGER,
JOHN H. TERRY,

Managers on the Part of the House.

GEORGE MCGOVERN,
QUENTIN N. BURDICK,
LEE METCALF,
PAUL J. FANNIN,
CLIFFORD P. HANSEN,

Managers on the Part of the Senate.

SAN DIEGO COUNTY ELECTS
DEMOCRATIC ASSEMBLYMAN

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VAN DEERLIN. I know, Mr. Speaker, that many of my colleagues will say, "Here comes another lecture on the tuna situation." But, I have a wider interest to appeal to today.

A special election took place in my home county of San Diego just yesterday. This involved the 76th Assembly District of California, which since its creation has never been represented by a Democrat. However, in a happy turn of events yesterday, the Democratic nominee amassed 24,899 votes while the Republican nominee received only 23,041. Therefore, the representation in this district falls to the Democrats.

Mr. Speaker, I want to take this occasion to tell my Republican colleagues that they will still be welcome in San Diego next August for the Republican National Convention. Although my community shows an unwillingness to accept the full Republican gospel, I want you to know that the gospel missionaries themselves will be welcome—especially those who spend money.

CONSUMER PRICES CONTINUE
TO SLOW DOWN

(Mr. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKBURN. Mr. Speaker, it is never good news when consumer prices rise. But when the monthly increase is smaller than before, we have good reason to be pleased.

The Labor Department reports that the index of consumer prices increased one-tenth of 1 percent in January, before taking into account various seasonal factors. After seasonal adjustment, the Consumer Price Index—CPI—rose only three-tenths of 1 percent. This compares with the four-tenths of 1 percent advance

in December, the first full month after the wage-price freeze.

There can be little doubt that the administration's economic policies are working successfully toward eliminating inflation. The CPI rose 5.5 percent in 1970. In contrast, it has grown only 3.4 percent over the last 12 months. Since the President's new economic policy was implemented in August, consumer prices have risen at an annual rate of only 2.2 percent. You do not have to be an economist to view this as a favorable trend. All of us benefit from reduced inflation. These recent figures augur well for a prompt return to the consumer price stability we have not seen for 7 years.

Some feared that termination of the 90-day freeze would unleash a devastating round of inflation. They were wrong. Others argued that the phase II controls could not effectively restrain price increases. They were also mistaken. The recent consumer price figures clearly indicate that the administration's program for price stability is successfully bringing an end to the era of rapid inflation begun in the midsixties.

UNWARRANTED CRITICISM OF
PRESIDENT NIXON

(Mr. WYMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WYMAN. Mr. Speaker, I take this time to point out that statements that are being made recently that the Administration in some way, by the President's visit to China, has sold out Taiwan, are clearly without foundation, whether they are made by Republicans or Democratic presidential hopefuls or from whatever source they come.

There is no change in America's treaty commitments with Taiwan. The 7th Fleet remains where it is, and there are no justified implications of change from the joint communiqués that have been put out by President Nixon and Premier Chou En-lai.

The United States of America supported Taiwan's efforts to stay in the United Nations. The Nixon administration urged and fought for a two-China policy. It continued this support even after the bitterly opposed vote of expulsion.

It is particularly disturbing that it is now abundantly clear that such criticism of the United States and its Republican President are coming from some Republican sources that ought to know better. Apparently the Republican primary opponents of our Republican President have determined to attempt to defeat an incumbent Republican President of the United States as distinguished from registering a protest vote or winning a primary contest.

Tomorrow I have taken a special order for 1 hour to document these disturbing conclusions.

WITHDRAWAL OF ALL TROOPS
FROM TAIWAN

(Mr. DICKINSON asked and was given permission to address the House for 1

minute, to revise and extend his remarks and include extraneous matter.)

Mr. DICKINSON. Mr. Speaker, I applaud and enthusiastically support President Nixon's trip to China and the resulting joint communique.

Yesterday evening I attended an in-depth briefing at the White House with several of our colleagues from both the House and Senate. As a result of this and other briefings, and from information that has been presented to the House Armed Services Committee, I have reached the following conclusion:

In the mad rush to analyze the joint communique, it has apparently been forgotten that there are only approximately 200 American servicemen stationed on Formosa who have duties which are directly related to the defense of Formosa.

Because some of the media have released "scare headlines" indicating that U.S. withdrawal of all troops from Taiwan would result in some sort of catastrophe, I feel it should be emphasized that there are presently a total of 8,200 U.S. servicemen stationed on Formosa, some 6,500 of these have duties which are related only to our activities in Indochina and 1,500 U.S. servicemen are engaged in communications and intelligence-related matters for the United States. The remaining 200 serve as advisers and technicians in training the Nationalist Chinese.

It is my firm belief that the only meaningful support Formosa gets from the United States in its defense is the presence of the U.S. 7th Fleet. The President has reemphasized our determination to live up to our treaty with Chiang Kai-shek's Nationalist Government. It should be infinitely clear that the United States will continue to honor our commitment to old friends and allies.

INCREASING HOUSING CONSTRUCTION CONTINUES TO LEAD OUR ECONOMIC RECOVERY

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, increasing housing construction has continued to lead our economic recovery. During the month of January housing starts set a record, advancing to a seasonally adjusted rate of more than 2.5 million. The pace of starts in January was 4.8 percent above the December rate of more than 2.4 million, which was the previous monthly high. The December advance itself was more than 9 percent above the November pace.

Dr. Harold Passer, Assistant Secretary of Commerce for Economic Affairs, has stated that this continued very high level of housing starts, "indicates that residential construction will continue to be a strong factor in the economy in 1972." Dr. Passer added that—

Much of the economic impact of this sustained rise in starts will be registered this year as these starts are brought to completion.

The January rate of more than 2.5 million exceeds the administration's goal for 1972 of approximately 2.2 million

new units. Both the well-established downward trend in mortgage rates and the increasingly large number of young people in our population who are moving into the housing market give us good grounds for believing that this healthy growth in housing will continue throughout 1972.

January also saw very sharp growth in orders for durable goods. The January rate of orders was 7.9 percent over the December rate. Almost half of the rise reflected increased orders for ships. The December seasonally adjusted rate of \$34.69 billion was approximately \$2½ billion over the December level. The gain last month was the sharpest monthly gain since that of December 1970. In the category of producers' capital-goods industries, which are an important clue to capital spending plans, orders rose more than \$1 billion to an adjusted \$7.92 billion. Mr. Speaker, I think that this strong growth in these basic sectors of our economy provides yet another basis for a favorable economic outlook.

AUTHORIZING FUNDS FOR THE COMMITTEE ON INTERNAL SECURITY

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 849 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 849

Resolved, That (a) effective January 3, 1972, the expenses of the investigations and studies to be conducted pursuant to clause 11 of rule XI of the Rules of the House of Representatives, incurred by the Committee on Internal Security, acting as a whole or by subcommittee, not to exceed \$525,000, including expenditures—

(1) for the employment of investigators, experts, attorneys, special counsel, and clerical, stenographic, and other assistants; (2) for the procurement of services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); and

(3) for specialized training, pursuant to section 202(j) of such Act (2 U.S.C. 82a(j)), of committee staff personnel performing professional and nonclerical functions; shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration.

(b) Not to exceed \$25,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); and not to exceed \$2,500 of such total amount may be used to provide for specialized training, pursuant to section 202(j) of such Act (2 U.S.C. 82a(j)), of staff personnel of the committee performing professional and nonclerical functions; but neither of these monetary limitations shall prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by

any other committee of the House; and the chairman of the Committee on Internal Security shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CALL OF THE HOUSE

Mr. THOMPSON of Georgia. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 56]

Anderson, Tenn.	Edwards, La.	Moorhead
Andrews	Gallianakis	O'Neill
Ashbrook	Gallagher	Patman
Baring	Grasso	Pelly
Bingham	Gray	Pryor, Ark.
Blatnik	Hawkins	Rees
Byrnes, Wis.	Hébert	Sandman
Camp	Howard	Scheuer
Carey, N.Y.	Johnson, Calif.	Smith, Calif.
Chisholm	Jonas	Springer
Clark	Keith	Stubblefield
Clay	McCloskey	Teague, Calif.
Davis, S.C.	McEwen	Ullman
Diggs	Macdonald, Mass.	Vanik
Dwyer	Martin	

The SPEAKER. On this rollcall 387 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING FUNDS FOR THE COMMITTEE ON INTERNAL SECURITY

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON), is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr. Speaker, House Resolution 849 is the resolution providing for funds for the Committee on Internal Security. The initial request of the chairman of the committee, the distinguished gentleman from Missouri (Mr. ICHORD), was for \$596,500.

After two hearings and considerable debate the committee, in light of the fact that last year the committee was granted \$570,000, and had a carryover of \$28,000, has recommended that for this year the Committee on Internal Security be given an amount not to exceed \$525,000.

Mr. Speaker, the committee gave this matter considerable attention. All sides were heard. It is my honor and obliga-

tion to bring this resolution to the floor, and I recommend to the House that this resolution be adopted. But I wish to state that as a matter of principle I am opposed to the operation of the Committee on Internal Security and therefore I shall vote against this resolution.

Mr. Speaker, I yield to the gentleman from California (Mr. EDWARDS).

(Mr. EDWARDS of California asked and was given permission to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, an anachronism is defined in Webster's New World Dictionary as "The representation of something as existing or occurring at other than its proper time, anything that is or seems to be out of its proper time in history." I and others have on occasion referred to the House Committee on Internal Security as an anachronism, but in light of Webster's definition I now stand corrected. I do not believe the Committee on Internal Security has, or has ever had, a place in our history. It is not simply out of its proper time; it has never had a proper time in the history of our democracy.

We are now being asked once again to approve the authorization of an additional appropriation of funds for the operation of the Committee on Internal Security. I say additional because this sum is in addition to the approximately \$250,000 which this committee gets as a standing committee of the House.

I shall not discuss the larger topic of whether this committee should exist at all, but just the issue of whether or not this special and additional appropriation is necessary in light of its responsibilities as outlined in the original enabling legislation and its mandate as outlined in the House Rules.

I am respectfully recommending that you deny this request. The Committee on Internal Security is provided more than ample funds automatically under the Legislative Reorganization Act of 1946 as a standing committee of the House. The bill we consider today is a request for additional funds.

In addition to the automatic amount received as a standing committee of the House must be added the other automatic emoluments such as printing, stationery, stamps, telegrams, telephone, office equipment, furniture, and office space. A modest estimate of these costs is \$75,000 per year. So we see that even if we deny any additional funds, the Internal Security Committee would continue to survive comfortably with an income of approximately \$27,000 per month.

I want to make it clear at the outset that none of my remarks should be interpreted as expressing disrespect for any of my colleagues who serve on the House Internal Security Committee. But no manner of highmindedness, no devotion to maintaining decorum, will eliminate the inherent illegalities, the personal abuses visited upon unsuspecting citizens and the kangaroo court atmosphere generated by this committee.

We live in a time in which we are experiencing what can be termed a crisis of credibility. The citizens of this country are alarmed and are requesting if not de-

manding honesty in government, honesty and fairness in reporting to the public what is going on in the halls of Congress.

But here we are, being asked to approve the continued funding of the maintenance of a data bank of information, compiled we know not by whom or how or to what purpose it is ultimately applied.

This committee for the first session of the 92d Congress had the seventh largest additional appropriation among the 21 standing committees. It is tied for fourth largest in number of staff members.

Speaking of staff members it is interesting to note the committee's own listing of committee employees and their duties. They list a total of 48 employees, 25 of whom are engaged in the following sections; editorial section, publication unit, research section, and files section. Eleven employees alone are employed in the files section. An expenditure of close to \$100,000 a year solely for personnel costs to maintain the files.

The titles and duties are likewise of interest.

Information analyst: Analyzes, evaluates public source material; and prepares reports of information requested by Members of Congress.

Information classifier: Prepares and processes public source material for filing.

Clerks receiving \$541.67 per month and up, preparing and processing public source material for filing. Public source material? Can that mean what it sounds like. That all material from any public source whatever is received and filed. Rumor? Gossip, Perhaps even lies.

Because the legislative record of this committee is practically nil, because the investigative employees number only approximately 6-8, because the courts of our Nation have struck down most of the committee's incursions against civil liberties, it seems obvious that a great part of this money is being spent on the raw—and that appears a most apt description of the material—files of the committee.

Is this then a proper function of this committee and, if so, where does it get the authority? There is nothing in the authorizing resolution for the committee granting it the authority to create and maintain a library, a data bank, containing rumor and gossip regarding American citizens—and to widely distribute this information under the printed legend "Information from the files of the Committee on Internal Security, U.S. House of Representatives." That is, or should be, the imprimatur of the truth. Here we have the weight and majesty, if you please, of the U.S. House of Representatives applied to public source material prepared and processed by an information classifier of the committee. How fast and loose with credibility can we get?

The Alice in Wonderland quality of the whole situation, as Alice said, "gets curiousest and curiousest" when we examine each report and find that it also contains a printed disclaimer.

This committee makes no evaluation in their report. The following is only a compilation of recorded public material contained in our files and should not be construed as

representing the results of any investigation or finding by the committee. The fact that the committee has information as set forth below on the subject of this report is not per se an indication that this individual, organization, or publication is subversive, unless specifically stated.

The pointlessness of the entire endeavor should be self-evident. The committee makes no evaluation, simply spews out a compilation of recorded public material. This public material may or may not be accurate, but under the imprimatur of the House of Representatives we are disseminating this information to all Members of Congress and their staffs if they so request, in addition to the more than 40 Federal agencies or departments who have access to these files, with no apparent restrictions regarding public distribution of the material once it is obtained.

Even if it is argued that the establishment and maintenance of this bank of unevaluated public material is necessary, by some stretch of the imagination, for the investigative duties of this committee, there is no authority for its use in the present manner.

Although President Truman in Executive Order 9835 of 1947 did authorize the files as a source of information for the investigation of persons applying for Federal employment, this order was specifically revoked by section 12 of President Eisenhower's Executive Order 10450 of April 27, 1953. This latter Executive order was concerned with proper standards and procedures and fair and equitable treatment in the Government's investigation of Government employees, consistent with the security interests of the United States.

Section II of rule XI of the Rules of the House of Representatives directs that—

The Committee on Internal Security shall report to the House the results of any such investigation, together with such recommendations as it deems advisable.

The function of the unevaluated public material data bank has never been authorized by the House of Representatives and therefore funds spent for this purpose are equally unauthorized.

I respectfully suggest, Mr. Speaker, as I have many times in the past, that no additional funds be provided for this portion of the committee's activities. If this committee wishes to maintain this data bank of unverified unevaluated public material on the citizens of the United States then it should proceed as would any other committee to request and secure, if it can, a change in the House rules or other legislative authority for its snooping.

The cost for the maintenance of this unevaluated public material is far greater than we imagine. In addition to the direct appropriations and indirect benefits as a standing committee, which total nearly a million dollars a year, there are the other annual expenditures in taxpayers money chargeable to this committee. I am referring to the burden placed on the Justice Department and our Federal court system with the hundreds of thousands in dollars spent in tedious and usually unnecessary criminal

nal trials and law suits occasioned by this committee's actions. If we give them more we are asking for more legislative and judicial confrontations, more lawsuits and more millions spent in futile legal wrangling.

My colleagues, if you are not disturbed you should be over Senator ERVIN's recent disclosures regarding widespread Army surveillance. I picked up the New York Times of Tuesday, February 29 to find myself mentioned as having been under surveillance by the Army. That, as a fact, does not bother me, but there seems to be a wider range of ways that the CIA, and now the Army, spend their money over which Congress has no control or knowledge. Have we not the same problem right here in our own backyard?

We can only surmise from this disclosure of Senator ERVIN's that every Member of Congress may not only be under surveillance but may be included in the committee's files and that unevaluated public information is being disseminated about all of us. The proliferation of surveillance and information gathering activities is almost mindful of a Laurel and Hardy comedy except for the serious issues and constitutional questions it raises.

Mr. Speaker, in order to put the subject of surveillance and data banks in its proper perspective consistent with constitutional rights, it is time for us to put our house in order. It is time to start paying attention to the rising tide of concern by the American people regarding government snooping. It is time for our tide of concern to turn back the tide of dollars which is being requested for the continuation of this unauthorized snooping by a standing committee of the House of Representatives. Mr. Speaker, I urge my colleagues to vote against this appropriation on final passage.

Mr. THOMPSON of New Jersey. Mr. Speaker, I yield to the gentlewoman from New York (Mrs. ABZUG).

Mrs. ABZUG. Mr. Speaker, I rise in opposition to this resolution, which would provide an additional \$525,000 for the House Committee on Internal Security, formerly known as the House Un-American Activities Committee.

I am a bit sorry that the name of this committee was changed, because I thought that their former appellation was a perfect description of what they are: A most "un-American" committee. Since its establishment as a standing committee in 1945, the record of this group has been a blot on this House and on this country. It has an unbroken record of contempt for freedom of speech and of the press, as well as harassment of those who seek to exercise these cherished rights.

Considering the miserable quality of what the Internal Security Committee does produce, I hesitate to complain of the fact that it produces so little. The fact of the matter is, though, that their output does not begin to justify even their basic appropriation of \$250,000, let alone the extra \$525,000 which this resolution would provide. During the session just ended, only 10 of the nearly 15,000 bills and resolutions introduced in the House were referred to this committee, and three of those 10 items were dupli-

cates. Not one bill was reported to the floor from this committee during 1971, and the one bill which was even reported out of the committee was roundly rejected by the House when it was offered as a substitute in an attempt to water down the bill repealing the concentration camp title of the Internal Security Act of 1950.

The Internal Security Committee's budget is the seventh largest of the 20 in the House; their staff is the third largest. They receive almost eight times as much money as the Committee on Ways and Means and 65 percent more than the Judiciary Committee. Their staff of 54 people is as large as the combined staffs of the Committees on Agriculture, the District of Columbia, and Veterans' Affairs.

In addition to its almost wholly unexercised legislative function, this committee collects data on individuals it deems suspicious. It keeps data primarily on the kinds of activities that the first amendment is designed to protect and sanctify—the people with whom subjects associate, the meetings they attend, the associations to which they belong, and the things they say. This data, which has all been processed into an expensive computer system, is made available—without the consent of the House as a whole—to various Federal agencies and God knows who else. Much of this data is like the material being amassed by private credit agencies—irrelevant, ex parte, or hearsay—but neither the subjects nor even Members of Congress are permitted to inspect or correct these files. If this is not an "un-American" subversion of due process of law, I do not know what would be.

I urge the rejection of this request for additional funds, noting parenthetically that \$525,000 would provide a year's day care for over 300 children. Even the Internal Security Committee's basic appropriation of \$250,000 is a complete waste of money, for this committee adds nothing to the work of Congress or the well-being of this Nation.

Mr. THOMPSON of New Jersey. Mr. Speaker, for the purposes of debate only, I yield 5 minutes to the distinguished gentleman from Alabama (Mr. DICKINSON).

Mr. DICKINSON. Mr. Speaker, I think the gentleman is very correct in stating the case of the long history of how this bill got here.

Each year at this time when this particular resolution comes up, we have rather extensive debate on the floor, and I think this has helped.

It is the philosophy of the Committee on House Administration not to deny any committee any reasonable request for funds. As a matter of fact, we do not try to be stringent. It is the philosophy of our committee, as I understand it, and it has been enunciated several times, all we ask of any committee is that they justify their expenditures and that we get value received for the money expended—whether they ask for \$100,000 or \$50,000. We look to see if that value is coming.

Interestingly, of all the resolutions we have approved to date this year, this is the only committee that has received any cut whatever. The Committee on

Internal Security last year received \$570,000. This year they came to our committee and requested \$596,000. As a result of the action of our committee, that amount was reduced, reported out, and approved at \$525,000, a substantial cut, keeping in mind that they had in unexpended funds \$30,000 to carry over from last year.

It is the opinion of this Member—and I think I reflect the opinion of all the members of this committee—that it is not our province and our responsibility to determine whether or not a committee will remain in existence. It is not our job to cut off all funds for any committee or to cut it so seriously as to hamper the operations of a particular committee. If the House as a whole does not want a committee to function and does not want it to exist, then vote down the resolution and there will be no funds. The committee then will have to go out of business. If, on the other hand, we think that the amount recommended is a reasonable amount—and our committee has felt that it is—then vote for the resolution.

Mr. Speaker, I do not know how long I shall continue to support a resolution for funds for that committee, but I am convinced as of now that the amount is reasonable and in the interest of the country to continue the work of this committee, and, therefore, I rise in support of the resolution.

Mr. THOMPSON of New Jersey. Mr. Speaker, for purposes of debate only, I yield to the gentleman from Massachusetts (Mr. DRINAN) for 5 minutes.

Mr. DRINAN. Members of the House, I have been a member of the Committee on Internal Security for more than a year. I think you will be appalled to learn that, once again, in the files of this committee, there are dossiers on more than 754,000 Americans. I introduce into the Record here today, Mr. Speaker, one of those dossiers on a very distinguished professor in one of our leading law schools. He has given me permission to disclose what the Congress of the United States says about him. At the top the dossier says, "We make no inference that this person is per se subversive." But the dossier goes on to name five organizations one or more of which have named this individual and three-quarters of a million other Americans as "subversive."

Very curiously, if any of those listed in the files of HISC is elected as a Member of the Congress, his file is impounded. Why is it that we are ashamed of our own files being disclosed? I say that this double standard shows that we are guilty about this particular committee of the Congress.

On February 22 I wrote to the distinguished Speaker, and I have his permission to reveal and put into the Record this particular letter. I raised two points with the Speaker in a letter to which I have not as yet, because of the time element, had an answer. I noted that there is no Executive order which can justify the keeping of these documents. The one authorizing Presidential order was wiped out in 1953 by President Eisenhower.

Second, I think that the keeping of these dossiers and the sharing of them

with the executive branch of the Government is forbidden by the rules of this House, Rule XI, paragraph 27(c), states that the records of this House shall be the property of the House. Yet every single day the representatives of 25 Federal executive agencies come here to the files of the Un-American Activities Committee, now sanitized by calling it the Committee on Internal Security. These investigators get there a list of blacklisted individuals and they presumably deny to these persons jobs in the Federal Government.

I want that particular practice to stop, and I say here that following the answer of the distinguished Speaker, I will take appropriate action to see that those files may not be disclosed or shared with the Civil Service Commission, the FBI, the Peace Corps, or any other agency.

I submit for the Record statements by distinguished American organizations devoted to the preservation of civil liberties. These groups, and hopefully a growing number of people in this country, say that the Congress of the United States is bringing disrepute upon itself by continuing this practice, which has no justification in law or in ethics or in practice.

The issue today, Members of the House, is not whether the Members are soft on communism. The issue today is simply this. Are the surveillance and the blacklisting operations of this committee justified by law? Are they something that we, as Members of the House of Representatives, want to live with?

These people whose files are there have not been publicly accused of any crime, they have not been indicted for any offense, they have not been convicted of wrongdoing. Yet they are in the files of HISC where the executive branch of the Government can come in and see these files, and use information obtained there to the disadvantage of these individuals.

Have we forgotten the principle of the presumption of innocence?

I suggest, Mr. Speaker, that today is a turning point in the history of the House of Representatives. If people vote for the funding for this discredited committee, they will be specifically endorsing the punishment of peaceful dissent, because that is the thrust of all the investigations of this committee over the past several years. We, as the representatives of the people, must today stand in judgment of those who claim that they, as Members of this committee, with an overblown staff of 54 individuals for whom there is insufficient work, have the power to judge the character and the Americanism of all these thousands of individuals on whom a file exists.

I urge the Members today to vote against all of these funds, because this committee has made no legislative contribution to our work. This committee threatens the freedom of every American. It should have no place in a society where civil liberties are important.

Mr. Speaker, I include the material referred to at this point:

FEBRUARY 22, 1972.

HON. CARL ALBERT,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I write to inquire of you and possibly of the parliamentarian concerning the legality of some 25 units of the Executive Branch of government visit-

ing on a regular basis the files of the House Internal Security Committee.

As a member of this Committee over the past year I have come to know some of the damage done by the information taken away from the files of the House Internal Security Committee by the officials of Federal agencies who during 1970 made 1,348 visits to the File Section of this Committee of Congress.

After a very comprehensive review of the law on this matter I have come to the conclusion that no Executive Order by the President justifies this practice and that, furthermore, the practice cannot be reconciled with Rule XI, Paragraph 27c of the House of Representatives.

Executive Order 9835, issued by the President on March 25, 1947, directed that each loyalty investigation of a person entering the Federal service should include a check of the files of the House Committee on Un-American Activities.

On April 23, 1953 that Executive Order, however, was "revoked" in Section 12 of a superseding Executive Order 10450.

Executive Order 10450 does not mention the files of the House Un-American Activities Committee. It is clear therefore that the later Executive Order which, to repeat, revokes and replaces everything in the previous Executive Order 9835 does not in any way authorize departments and agencies of the Executive Branch of the Federal government to inspect the files of any Committee of the Congress.

Even if, however, there were an Executive Order by a President directing that representatives of the Executive Branch of government could in fact inspect the files of a Congressional Committee I would feel that such an order violates the Rule of the House noted above. This Rule (XI, Paragraph 27c) states:

"All Committee meetings, hearings, records, data, charts, and files shall be kept separate and distinct from Congressional office records of the Member serving as Chairman of the Committee, and such records shall be the property of the House."

On March 2, 1971 the House of Representatives overwhelmingly rejected a resolution regarding compliance by the Committee on Internal Security with a court order for discovery issued by the Federal District Court in Chicago. The House of Representatives clearly felt that it possessed exclusive control over all documents in the possession of the House of Representatives.

I would feel that the same principle should apply to any attempt by the Executive Branch to the use of documents in the possession of the House of Representatives.

If it is objected that the House of Representatives has acquiesced since 1953 in the practice of the Executive Branch of government using the files of the House I would suggest and indeed feel compelled to insist that the House of Representatives have a clear vote on this matter.

If the House of Representatives asserted its clear right not to allow the Executive agencies to inspect the files and documents of this Committee there would be no point whatsoever in continuing the files in question.

I would appreciate, Mr. Speaker, having as soon as convenient your own ruling or that of the parliamentarian as to 1) whether the use of the files of the House Internal Security Committee is authorized by any Presidential Executive Order and, 2) whether the use of these files by some 25 agencies of the Federal government is consistent with Rule XI, Paragraph 27c of the Rule of the House of Representatives.

I send to you my gratitude for the fullest consideration which I know you will give to this question.

Cordially yours,

ROBERT F. DRINAN,
Member of Congress.

INFORMATION FROM THE FILES OF THE COMMITTEE ON INTERNAL SECURITY—U.S. HOUSE OF REPRESENTATIVES

FEBRUARY 11, 1972.

For: HONORABLE ROBERT F. DRINAN.

Subject: VERN COUNTRYMAN.

This Committee makes no evaluation in this report. The following is only a compilation of recorded public material contained in our files and should not be construed as representing the results of any investigation or finding by the Committee. The fact that the Committee has information as set forth below on the subject of this report is not per se an indication that this individual, organization, or publication is subversive, unless specifically stated.

Symbols in parentheses after the name of any organization or publication mentioned herein indicate that the organization or publication has been cited as being subversive by one or more Federal authorities prior to 1962. (No organizations or publications have been cited as subversive by the following Federal authorities since last reprint of "Guide to Subversive Organizations and Publications" in 1961.) The name of each authority is denoted by a capital letter, as follows: A—Attorney General of the United States; C—Committee on Un-American Activities; I—Internal Security Subcommittee of the Senate Judiciary Committee; J—Senate Judiciary Committee; and S—Subversive Activities Control Board. The numerals after each letter represent the year in which that authority first cited the organization or publication.

COMMUNIST FRONTS

1953—National Lawyers Guild (C-1944; I-1956).

Speaker at national conference held at the Barbizon-Plaza Hotel, New York City [Daily Worker, official Communist newspaper, October 19, 1953, p. 6. The date of the conference is not shown in this source; however, the Daily Worker, October 16, 1953, p. 8, announced that a NLG national conference would be held October 17, at which subject would speak.]

1964—National Committee to abolish the House Un-American Activities Committee (C-1961) [Renamed National Committee to Abolish HUAC/HISC.

1969—In 1969 and now known as National Committee Against Repressive Legislation]. Vice-Chairman, New England Region [Abolition News (official publication of NCAHUAC), January 1967, back page; June 1967, p. 8; handbill, August 1967; letterhead January 28, 1968].

Co-signer of a letter to the Chairman of the House Committee on House Administration concerning HCUA's request for 1967 appropriations [This letter was attached to a letter to Members of the House of Representatives dated March 20, 1967 and bearing subject's name as signer].

Scheduled to speak at a meeting of the Chicago Committee to Defend the Bill of Rights [Mid-west Regional Office of NCAHUAC] on April 20, 1968, McGiffert House, Chicago, Illinois [Letterhead, Chicago Committee to Defend the Bill of Rights, April 1, 1968].

Vice-Chairman, National Committee to Abolish HUAC/HISC [Letterhead, June 6, 1969].

1954—Emergency Civil Liberties Committee (C-1958; I-1956) [Now known as National Emergency Civil Liberties Committee].

1964—Member, National Council [Letterheads, September 30, 1954, November 1, 1954, April 3, 1955].

Scheduled to speak at a meeting April 20, 1959 [Handbill, received April 11, 1959].

Signer of statement defending the "right" of the 50 young Americans who had traveled to Cuba in the summer of 1963 to "defy" U.S. laws and regulations barring such travel. The ad urged readers to contribute funds to ECLC for the legal defense of 3 of the travelers who

had been indicted by a Federal Grand Jury for traveling to and from Cuba illegally and also—although not revealed in the ad—for “conspiring illegally to organize and promote a trip to Cuba in violation of U.S. travel laws.” [Ad, “we, the undersigned”, in the Nation, December 21, 1963, p. 443 and Frontier, February 1964, p. 7; and Justice Department Press Release, September 27, 1963].

On March 4, 1964 Vern Countryman testified in public hearings before the Senate Internal Security Subcommittee in hearings on “Subversive Influence in Certain Labor Organizations,” (pages 374-417), presenting a prepared statement and oral testimony representing the position of the Emergency Civil Liberties Committee with regard to legislation being considered by the Subcommittee.

AMERICANS FOR DEMOCRATIC ACTION,
Washington, D.C., February 29, 1972.

DEAR CONGRESSMAN: On Wednesday, March 1, the House will vote on this year's appropriation for the House Internal Security Committee. As a standing committee of the House, HISC automatically receives approximately \$250,000. However, the House Administration Committee has approved an additional appropriation of \$525,000 for this Committee. We urge you to vote against this additional appropriation.

We believe there is no justification for the substantial funds sought by HISC, a Committee which contributes nothing to the legislative achievements of the House of Representatives. Indeed much of the additional appropriation will be used to maintain files on individuals who engage in activities clearly protected by the First Amendment. HISC's “data bank” consists of hundreds or thousands of dossiers on individual citizens and organizations, collected from magazines and newspapers, as well as undisclosed sources. This information, available to more than forty federal agencies and to all members of Congress and their staffs, represents unauthorized surveillance over the lives and activities of American citizens.

Because we believe this Committee's procedures have a genuinely chilling effect on First and Ninth Amendment freedoms, that its operations are wasteful and duplicative of the Judiciary Committee and Justice Department functions, and that its goals have nothing to do with the legitimate aims of the House of Representatives, we believe HISC should cease to exist. A cut in its funds this year would be a substantial step toward that goal.

Sincerely,

DOLORES MITCHELL,
Chairman, Executive Committee.

WASHINGTON OFFICE,
AMERICAN CIVIL LIBERTIES UNION,
Washington, D.C., February 29, 1972.

DEAR CONGRESSMAN: On Wednesday, March 1, 1972, you will be called upon to vote on H. Res. 849, authorizing funds for the continued operation of the House Internal Security Committee. The American Civil Liberties Union strongly opposes any funds for this Committee. We ask that you, as a co-sponsor of a resolution to abolish HISC, take an active role in the effort to defeat this Resolution.

We believe there is no justification for the substantial funds sought by HISC. It contributes nothing to the legislative achievements of the House of Representatives. In the last session of Congress the only bill reported by the Committee, H.R. 820, which would have retained the Emergency Detention Act of 1950, was overwhelmingly rejected in favor of outright repeal by the members of this House on a vote of 356-49. Instead, the actions of this Committee have brought disrepute to the House of

Representatives and have detracted from its other achievements.

The entire range of the Committee's activities represents a real threat to the very freedoms which they purport to protect. Of particular concern is their maintenance of over three-quarters of a million files on individuals and groups who engage in activities clearly protected by the First Amendment, but disapproved of by the Committee. These files often contain nothing more than unverified accounts of constitutionally protected First Amendment political activities, on such issues as civil rights and peace. Yet they are used to deny countless numbers of American citizens access to jobs. People are thereby made afraid to involve themselves in activities in any way critical of the government, producing a true “chilling effect” on the free debate which is so essential to our system of government. Moreover, the Congress has never authorized this Committee to maintain these files or to share them with the Executive Branch.

This Committee, despite its recent name and mandate change, is a vestige of the McCarthy era. People of good-will have recognized that tactics of that period, “witch-hunting” and political blacklisting, have no place in a free society. Congress should act to insure that public money is not spent to support such activities. Whatever legitimate functions remain can and should be performed by the Judiciary Committee which has jurisdiction over legislation dealing with espionage, sedition, crime and punishment.

The House Internal Security Committee has requested \$596,500. The House Administration Committee cut the request to \$525,000. We urge you to oppose any appropriations at all, by voting “no” on H. Res. 849 and by encouraging your colleagues to do the same.

Sincerely,

HOPE EASTMAN,
Acting Director.

YALE UNIVERSITY LAW SCHOOL,
New Haven, Conn., February 29, 1972.

DEAR CONGRESSMAN: As professors of law interested in the field of political and civil rights, we urge you to vote against H. Res. 849, authorizing funds for the Committee on Internal Security.

In our judgment the Committee, and its predecessor, the Committee on Un-American Activities, have functioned in an unconstitutional manner. The Committee's main business has been the investigation of the beliefs, opinions and associations of American citizens. It has done this both through its hearings and reports, and through the maintenance of dossiers on millions of persons. We believe that the First Amendment permits every person to express his own views on any subject, no matter how unorthodox or radical his opinions may be. The government is entitled to restrict or punish illegal action, but it has no right to interfere with the free interchange of ideas. Yet the principal operations of the Committee have been directed exactly to this end. In the process it has done great damage to our system of free expression.

Numerous laws now on the books provide adequate protection to the security of the United States. If violations of those laws occur it is the business of the Department of Justice to investigate and prosecute. Power to consider revision of the security laws, if that becomes necessary, resides in other committees of the House, particularly the Judiciary Committee. This function can be performed without infringing on freedom of expression. But the Committee on Internal Security has demonstrated that it is incapable of operating within constitutional

boundaries. We hope that it will not be given further funds to continue to violate the rights of American citizens.

Sincerely,

THOMAS I. EMERSON,
Professor of Law, Yale Law School.
VERN, COUNTRYMAN,
Professor of Law, Harvard Law School.

Mr. THOMPSON of New Jersey. Mr. Speaker, for purposes of debate, I yield 5 minutes to the distinguished gentleman from Missouri (Mr. ICHORD).

Mr. ICHORD. Mr. Speaker, I thank the gentleman from New Jersey for yielding.

Mr. Speaker, this is the annual debate over the appropriations for the House Committee on Internal Security. It was not my intention to speak on the matter, but since the gentleman from Massachusetts, a member of the committee and an opponent of the committee, has chosen to speak, I do take the opportunity to participate in this debate.

We have heard the same old arguments against the appropriations that have been advanced year after year. I think, Mr. Speaker, if we will analyze the statements that were made by the gentleman from Massachusetts, and all of the opposition, we will find that the charges are the same: That the committee is interested only in suppressing political ideas and unpopular political dissent.

Nothing could be further from the truth. The charges are absolutely ridiculous. They are full of rhetoric, but they are not substantiated by the facts. The mandate of the House Committee on Internal Security is contained in rule 11. It is given jurisdiction over those activities that would overthrow or undermine the Government of the United States—and these are the important, gratifying words—by force, violence, and unlawful means. I hope that even the most vociferous critic of the committee would not make objection toward those lawful aims. That is the responsibility, that is the duty, that is the right of an established government—to protect itself—and most certainly that is the responsibility, that is the duty of a free society such as ours.

The charges, I repeat, are absolutely ridiculous. They are not specific. I am ready and willing to defend that legislative jurisdiction of the committee.

In addition, the committee has investigative jurisdiction. It is one of the three permanent investigating committees of the House of Representatives.

It also has the traditional oversight jurisdiction. In that respect the committee is involved at the present time with oversight hearings into the operation of the Federal civilian employee loyalty-security program.

Mr. Speaker, House Resolution 789, which I introduced on January 31, 1972, would provide \$596,500 for committee operations in this session. I submitted this resolution with the concurrence of all of my colleagues on the Committee on Internal Security with the exception of the gentleman from Massachusetts, who did not see fit to voice any dissent until he appeared before the Committee on House Administration. The Committee

on House Administration had reported House Resolution 849 which cuts \$71,500 from the amount requested by the Committee on Internal Security.

This is the fourth occasion on which I have addressed the House as chairman of the Committee on Internal Security in regard to the need for an annual appropriation. In 1969, when the committee was first created, the House provided an authorization of \$400,000; in 1970, \$450,000; and in 1971, \$570,000. As each Member of this House well knows, costs of all Government operation have continued to increase. Government employees' salaries have risen several times in the last few years. A substantial portion of the increase in committee funding from year to year has been attributable to the hungry appetite of our inflationary economy. Most of the balance of the increase for 1971 was necessary, because of the Legislative Reorganization Act, which provided for minority staffing. I would not think the House would want to retrogress in internal security oversight during a period when revolutionary activism continues unabated.

The funds which the House provided for the Committee on Internal Security for 1971 were well and fully utilized with the exception of \$28,000 which remained unspent at the end of the year. In order to provide for the continued functioning of the committee at the same level of activity and professional competence, we have asked for a sum which would furnish the same \$570,000 as during 1971 plus an amount which will cover the 5½-percent employee pay raise effective in January 1972. For those of my colleagues who may have concern about the adequacy of minority staffing, it should be observed that the minority staff investigative payroll on an annualized basis as of the end of the year was just over \$71,000. Salaries of three standing payroll employees are in addition to this. Although the total number of employees on the staff is five more than 1 year ago, eight of the total are assigned to the minority.

I do not intend to take the time of the House today to detail the many activities and accomplishments of the Committee on Internal Security in 1971. These were set out in full in my letter of February 3, 1972, to the distinguished chairman of the Committee on House Administration, and the letter is reproduced in the Committee on House Administration's Report No. 92-868. The reader will find a complete review of committee publications, of committee investigations and hearings, and of legislative activities.

The record will disclose that in 1971 the committee and its subcommittees, held 60 days of hearings, held other meetings on 20 occasions, received testimony from 130 witnesses, and compiled a record of about 5,000 pages of testimony, reports, and exhibits. This is surely not the product of a do-nothing committee. Five major investigations were conducted, including an inquiry into the Progressive Labor Party, an examination of attempts to subvert the Armed Forces, an in-depth analysis of the SACB and Federal employee security program, and a study of the National Peace Action Coal-

tion and the People's Coalition for Peace and Justice. Reports on the Black Panther Party and on Trotskyite Communists were among those issued by the committee.

A favored criticism of the committee is that it does not produce legislation. It would seem to me that those very persons who use the grounds would be the first and loudest to complain if a plethora of bills were reported. It is well and wise to ascertain where legislation would not be helpful, and to ferret out nonenforcement of existing laws, and weaknesses in their administration by the executive branch. We have an abundance of existing statutes, many of which are not utilized. It is important to oversee laws which are already in effect, and the Committee on Internal Security has been diligently exercising its own oversight function. It is said that the committee investigations are not worthwhile since they do not result in specific legislation. Without the accumulation of this body of information in the security field, how would the committee and how would the House assess the dangers to the national security, and how could they possibly know whether legislation is or is not warranted?

Exercise of the oversight function is time-consuming, but essential. A number of other committees of the House reported very few bills which were enacted into Public Law, but those committees cannot be criticized for inactivity. Like the Committee on Internal Security they were busily involved in oversight functions. There are critics who want to play the numbers game by saying that there were 12,382 bills introduced last year and only 10 were referred to Internal Security. Well, as usual there is another side of the coin. In the field of bills enacted into Public Law, is it to be said that, because the Science and Astronautics Committee was responsible for but two that it was not hard at work; that because Public Works was responsible for but three that it was not hard at work; that because Foreign Affairs and Education and Labor were responsible for but four that they were not hard at work; that because the Judiciary Committee was responsible for only two bills which involved the title 18 criminal code that it was not hard at work? I could continue, but perhaps the point is made. Bills enacted into Public Law are not the only criteria for measuring accomplishment. Since other committees are not judged on this basis, please do not discriminate this way against Internal Security.

The Subcommittee on Accounts under the chairmanship of the gentleman from New Jersey thoroughly examined the Internal Security Committee record for the previous year in addition to programs which were already under consideration for 1972. I want to thank the chairman of the Subcommittee on Accounts, the Chairman of the full Committee, and all of the Members of that body for their interest in and attention to the work of the Committee on Internal Security, and for their patience in listening to an expression of many views. I am deeply appreciative for the courtesies which were shown to me. I well recognize that some Members of the House, some of whom

serve on the Committee on House Administration, hold philosophical views diametric to the purposes of the Committee on Internal Security. These gentlemen nevertheless recognize their legislative and parliamentary responsibility to furnish the committee with sufficient funds to discharge its mandate so long as the House of Representatives in its wisdom votes to establish the body as one of its standing committee at the beginning of each Congress. I know their deliberations were in good faith and with these considerations in mind.

The House has already determined that it desires the services of the Committee on Internal Security. The only issue now is what level of funding is required to permit an effective and responsible discharge of the committee's mandate. The Committee on House Administration has recommended \$525,000.

House approval of the funds which the committee seeks for operation in 1972 will insure that we can continue to be of service to the House and all its Members and discharge in full the duties imposed by the committee's mandate.

You may all be confident that I would never ask the House to make an allotment of funds exceeding that which I thought could be used in an efficient and beneficial manner in service to the needs of the House as a whole.

There is a relatively small group of Members of the House who seek abolition of the committee. Some of them have repeatedly introduced bills to effect this purpose. Their hostility to the committee is well known. Over the last several years I have observed the trend in the criticism directed toward the committee. The former Committee on Un-American Activities was so often criticized for alleged circus-like proceedings and other similar aspects resulting from the subpoena of involuntary witnesses. Because of the different manner in which the Committee on Internal Security has functioned, this line of castigation has not been available. Criticism of recent vintage has been directed toward the indexes and files of the committee. It is complained that the committee maintains unwarranted data on thousands of individuals and organizations.

It must be understood, Mr. Speaker, that the committee does maintain certain data on many individuals and organizations, but it is not unwarranted. The overriding purpose of the indexes and files is to provide resource material for staff use in connection with investigations and hearings. We could not possibly fulfill our obligations under our mandate without it. Organizations do not exist in a vacuum. They are run by flesh and blood human beings. An organization cannot be understood without knowledge of its leaders. So often we find overlapping leadership. So often we find organizational activities in one area being manipulated by individuals who were previously instrumental in a different area. The significance of such facets cannot be realized without identification of the individuals who are involved.

The files are not available to the general public; they are not available to the press. They have, however, by tradition and by interpretation of House rule XI 27(c), been available to all Members of

Congress. The rule states that all committee files "shall be the property of the House and all Members of the House shall have access to such records." The complainants allege that improper use is made of these files, such as when data is solicited by a Member of the House upon request of a constituent and then is in turn released to that constituent. The material does in that manner enter the public domain. The dilemma here, I think, is not one of the making of the Committee on Internal Security, but rather arises from compliance with a rule of the House. What is the committee to do, what am I as chairman to do, when a Member, asserting a privilege under the rule I have cited, asks for information from a committee file? If he is denied, then we are charged with a violation of rule. If we provide it to him, and thus relinquish any control over the use to which it may be put, the committee detractors seize upon this practice as an improper function of a legislative body. The root of the problem is, of course, in the abiding desire which so many Members of the House have for committee information. Last year, for example, we responded to about 700 congressional requests.

I must speculate aloud as to what would be the reaction of these Members if they could not have such access in the future. I must also wonder what would be the reaction of some other chairman of standing committees if they were asked to allow access to their files on the part of any Member of the House. Suppose the Committee on Foreign Affairs were asked by some individual Congressman to produce for his random inspection an entire file on relations of the United States with Egypt, or with Israel, or with South Vietnam, or with a host of other highly sensitive matters. Would the Committee on Appropriations, which conducts such a large proportion of its hearings in executive session, permit at will examination by whatever Member of the House might ask for it? The Committee on Armed Services on which I serve would insist, I think with great justification, that many of its files could simply not be produced for random inspection. And finally I must take notice of a recent remark attributed to my esteemed friend, the chairman of the Committee on House Administration. It was reported in the February 10 issue of the rollcall that House Members' payroll records had been closed to current public inspection for the first time in memory. It was said that the chairman of the Committee on House Administration recently ordered the closure due to computerization of the data, and he was quoted as saying:

We can't have everybody and his brother in there demanding computer printouts.

Access to committee files must be analyzed with reason. They are kept to service the House, but through the functioning of the committees and their staffs. Surely it was not intended that committee files would be kept as public libraries, whereby they could be "charged out" at the will of any member.

There are not many options available to me in the maintenance and utilization of the committee files. I can consign

them to the Archives. I can continue to use them as a resource for investigations and hearings. I could also continue, strictly as an incident to their maintenance, to furnish data from them to Members of Congress on request, or this service could be discontinued. This latter course I would think would require some indicia of approval from the House. I do not think I have any authority to destroy the files.

Mr. Speaker, last year the Committee on House Administration cut \$220,000 from the requested appropriation of the Committee on Internal Security. I opposed that recommendation on the floor of the House and an amendment submitted by the distinguished chairman of the Committee on House Administration was adopted restoring \$120,000 of the reduction. This year the Committee on House Administration has cut \$71,500. It was my earnest belief and judgment that the amount should be \$596,500 instead of \$525,000; however, I do not intend to oppose the cut. The committee will make every effort to operate within the funds allowed. If that is not possible the committee will request an additional supplemental appropriation.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I should like to state that it is and has been the policy of the committee to entertain such requests as they are made, and to guarantee to the gentleman that if at a future time he introduces a resolution involving more money he will be guaranteed a prompt and fair hearing.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. THOMPSON of New Jersey. Mr. Speaker, I yield the gentleman an additional 2 minutes.

Mr. RYAN. Mr. Speaker, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from New York (Mr. RYAN).

Mr. RYAN. In the annual report for 1970 the committee reports 1,348 visits to search the files of the committee by some 25 Government departments and agencies. In 1969 the number of agency visits was 1,506.

Can the distinguished chairman tell us how many such visits to the files section took place in 1971?

Mr. ICHORD. I will say to the gentleman from New York that I do not have the exact number of visits by representatives of the executive department to the files and reference section, to which the gentleman has referred, which took place in 1971, but I am quite certain it was probably at or near the same amount as 1970.

Mr. RYAN. That would be approximately 1,300 visits?

Mr. ICHORD. It would be somewhere in that neighborhood, I believe, but I would not want to be held to a specific figure. I will supply that.

Mr. RYAN. By what authority does the chairman permit the executive branch to review and examine the files maintained by the committee?

Mr. ICHORD. Let me say to the gentleman from New York that President

Harry Truman, back in the 1950's, by Executive order directed agents of the Federal Government, representatives of the Executive Department, to examine the files and reference section for information on any person being checked for Federal employment.

Later on President Eisenhower issued an Executive order saying that there should be a national agency check, and it is being continued under those Executive orders at the present time.

The SPEAKER. The time of the gentleman has expired.

Mr. RYAN. Will the gentleman from New Jersey yield the gentleman an additional minute?

Mr. THOMPSON of New Jersey. Does the gentleman from New Jersey wish to be recognized for 1 minute?

Mr. RYAN. I would appreciate it.

Mr. THOMPSON of New Jersey. I yield the gentleman 1 minute for the purposes of debate only.

Mr. RYAN. Mr. Speaker, it is clear that the action of the Internal Security Committee in opening its files to the executive branch is without authority of the House of Representatives and is a violation of the rules of the House of Representatives. Rule XI, paragraph 27(C), states that—

All committee hearings, records, data, charts and files . . . shall be the property of the House.

It is ironic that, when the U.S. district court for the northern district of Illinois issued a discovery order for records of the committee, the chairman did not turn them over to the U.S. district court, but took the position that documents under the control or in the possession of the House of Representatives could not be released without permission of the House. He resisted the order and asked the House to uphold his position.

On the other hand, although he does not have any statutory authority or permission of the House to do so, he has opened the files of the committee to the executive branch willy-nilly.

It is time for that practice to cease.

The gentleman from Missouri referred to Executive orders of Presidents Truman and Eisenhower. However, no Executive order can bind the Congress. Furthermore, as Congressman DRINAN so ably pointed out, President Truman's Executive order was superseded by President Eisenhower's Executive order which does not even purport to confer authority upon any Federal department or agency to check the files of the House Committee on Un-American Activities—now called the Committee on Internal Security.

On April 30, 1971, I addressed a letter to the Speaker of the House in which I raised this issue and asked the Speaker for his opinion as to the source of authority for opening committee files—the property of the House—to the executive branch. The question has not been answered. My letter of April 30, 1971, follows:

APRIL 30, 1971.

HON. CARL ALBERT,
Speaker, U.S. House of Representatives,
U.S. Capitol.

DEAR MR. SPEAKER: The 1970 Annual Report of the Committee on Internal Security states, at page 166:

"Some 25 departments and agencies of the Federal Government include a search of committee records in their security programs, under Executive Order. During the past year there were 1,348 visits to the section by authorized representatives of the Federal Government."

The 1969 Annual Report contains a similar statement, at page 131: "there were 1,506 agency visits to the files section."

As you know, the entire question of the Internal Security Committee's file-keeping functions is very disturbing to me. What is also disturbing is the issue of the Committee's authority to act as it has in opening files to scrutiny by the executive. Rule XI, paragraph 27(c) of the House of Representatives states:

"All committee hearings, records, data, charts and files shall be kept separate and distinct from Congressional office records of the Member serving as Chairman of the Committee, and such records shall be the property of the House."

The Chairman of the Committee himself stated the view, on March 2, 1971, when the House was considering House Resolution 264, regarding compliance by the Committee with a court order for discovery issued by the U.S. District Court for the northern district of Illinois, that "no document under the control and in the possession of the House of Representatives can be the mandate of process of the ordinary courts of justice be taken from such control or possession except by the permission of the House of Representatives. . . ."

If the chairman of a committee has no authority to release files pursuant to a valid court order unless the House has voted to comply with such order, how is it that he has the authority to open Committee files—property of the House—to another branch of the government, e.g., the executive?

I am unable to find any answer to this question other than that the Chairman in fact does not have such authority. The Reports of the Internal Security Committee make reference to the executive agencies examining the files under an executive order. However, this order could have no control over the actions of the House, since it is the House which is the master of its own property.

I would very much appreciate your looking into this matter, and apprising me of your conclusions.

With warmest regards,

Sincerely,

(S) WILLIAM F. RYAN,
Member of Congress.

The SPEAKER. The time of the gentleman has expired.

Mr. RYAN. May I have an additional minute?

Mr. THOMPSON of New Jersey. I yield 1 additional minute to the gentleman from New York for the purposes of debate only.

Mr. RYAN. I thank the gentleman.

I hope the Speaker of the House will consider this question and make a definitive ruling on the propriety of continuing this practice of maintaining and opening the files, which is replete with invasions of civil liberties.

Let me turn now to the resolution before us.

The House is faced with a request for over a half million dollars to finance the activities of the House Internal Security Committee for the forthcoming year. House Resolution 849 provides \$525,000 for so-called investigations and studies. This is in addition to a sum of approximately \$250,000 the committee receives automatically as a standing committee under the rules of the House.

As I, and other Members of this House, have pointed out many times before, the history of this committee clearly defies any justification for further funding. It is a history of assaults on the basic civil liberties embodied in the Constitution; a history which continues to discredit the House of Representatives; and a history of almost total legislative inactivity.

In its 26-year history as a standing committee, HISC and its predecessor HUAC have reported a grand total of six bills which eventually became law.

The committee's performance in the past session, not surprisingly, shows no deviation from this wasteful pattern. Out of the 12,383 bills introduced in the first session of this 92d Congress, only 10 bills were referred to the House Internal Security Committee, three of which were identical; all of which amend the Internal Security Act of 1950 which is within the jurisdiction of the Judiciary Committee, as we saw last September when the House voted 356 to 49 for the Judiciary Committee bill to repeal title II of the Internal Security Act.

Let me briefly outline the nature of these seven substantive pieces of legislation which have occupied the time of this committee for over a year.

H.R. 574, introduced on January 22, 1971, provided that under the Internal Security Act of 1950 the attorney general of a State would have the power to initiate a case before the Subversive Activities Control Board—an obvious attempt to provide some excuse for the existence of that repugnant body. This bill, although introduced for a second time, remains in committee.

H.R. 587, introduced on January 22, 1971, proscribes three types of activities: interfering with draft offices, obstructing movement of military personnel or supplies, and giving aid to nations with which the United States is engaged in armed conflict. In hearings on an almost identical bill introduced in the 91st Congress, the subcommittee on Internal Security heard testimony from the Defense, State, Justice, Commerce, and Treasury Departments, all of them knowing of no compelling need, from a legal or factual standpoint, for this proposed legislation. Again, this bill could have been referred to the Judiciary Committee, as evidenced by the fact that an almost identical bill introduced in the 89th Congress—H.R. 11864—was referred to that committee.

H.R. 782, introduced January 22, 1971, provided for the repeal of the Emergency Detention Act, title II of the Internal Security Act of 1950. Although this bill is still in committee, a similar bill—H.R. 234—which was referred to the Judiciary Committee, has since been passed by this House. This again indicates the little need this body has for this committee.

H.R. 820, amended the Emergency Detention Act, title II of the Internal Security Act of 1950, by prohibiting detention for "race, color and ancestry," but broadened the definition of detainees. Because of the pressure of the Judiciary Committee, which reported out a bill repealing the Emergency Detention Act, the bill was reported out in an effort to defeat the action of the Judiciary Committee.

Incidentally, this was the only piece of legislation reported by the Committee in 1971. However, it was defeated on September 14, 1971, as a substitute for the Judiciary Committee bill (H.R. 234) which repeals title II outright. Here again, the question of jurisdiction speaks for itself.

H.R. 819, entitled the Defense Facilities and Industrial Security Act, is designed to prohibit employment of Communists and others in defense facilities; and to provide for surveillance by the Army of those employed in any defense-related facility, including scientific laboratories at universities. Seven hundred and fifty scientists, including six Nobel Prize winners, petitioned the Senate not to pass this bill, which had passed the House in the 91st Congress. Regardless of the merits of this bill, it, too, clearly falls within the jurisdiction of the Judiciary Committee—in the Senate this bill was referred to the Judiciary Committee. In addition this bill could well have been dealt with by the Armed Services Committee.

H.R. 9669, introduced on July 8, would enact into law Executive Order 11605, reviving the Subversive Activities Control Board under a new name. This is another bill which HISC never reported out, and also another bill which could be considered by the Judiciary Committee.

H.R. 11120, introduced on October 6, provides for a new loyalty oath and screening procedure for all Federal employees, a new list of "subversive" organizations, and makes HISC's files a permanent part of the screening process. In hearings held on H.R. 11120, 23 Federal departments and agencies testified that for most of them, the present screening process is adequate. The Justice Department in its opposition to the bill's provisions, stated that—

They are to a great extent, as established by Executive Order 10450 and recently amended by Executive Order 11605, and they may, to some extent, operate to decrease the program's effectiveness.

The Post Office and Civil Service or Judiciary Committee could better exercise jurisdiction over this subject.

Mr. Speaker, all the legislation referred to the House Internal Security Committee in the last session could have been—and should have been—considered by the Judiciary Committee or other committees. Thus, apart from the philosophical and political offensiveness of this committee, there is as well its moribund legislative role warranting cessation of its funding.

For those of my colleagues who, while harboring grave doubts about this committee, continue to sustain it, I say—if the affronts to civil liberties committed by this committee are not enough, if its appalling legislative record is not enough, and if the dark shadow of discredit it has on the House of Representatives is not enough, then look, in terms of money, at what this committee is and does.

As of December 31, 1971, the House Internal Security Committee tied for third largest staff of all the standing committees of the House. Fifty-four people occupied staff positions on this committee, a number far greater than the total

number of staff (32) of the Armed Services Committee whose jurisdiction extends over more than \$70 billion of authorization. A staff over double the size of the staff of the Ways and Means Committee (28), which has jurisdiction over the Nation's entire tax structure and social security laws. A staff greater in size than the staff of the Judiciary Committee (37) whose jurisdiction encompasses the basic issues of law and order, and I might add, internal security.

The following chart shows comparative staff size and ranking:

Staff for standing committees, 92d Congress, first session—1971

[Arranged in order of size of the appropriation—Standing committee; staff size, Dec. 31, 1971]

House Administration.....	60
Education and Labor.....	82
Public Works.....	54
Government Operations.....	54
Interstate and Foreign Commerce.....	48
Banking and Currency.....	53
Internal Security.....	54
Post Office and Civil Service.....	38
Interior and Insular Affairs.....	22
Foreign Affairs.....	33
Science and Astronautics.....	28
Judiciary.....	37
Armed Services.....	32
Merchant Marine and Fisheries.....	28
Agriculture.....	17
District of Columbia.....	17
Veterans' Affairs.....	16
Ways and Means.....	28
Standards of Official Conduct.....	5
Rules.....	6

In light of this paucity of legislative activity by this committee one has good reason to wonder just what need there might be for so large a staff. If I did not know better, I would suspect these figures to be in error—but they are correct. In fact, the only error committed here is the continued existence of this useless and wasteful committee. Just how expensive this offensive profligacy is, is seen by looking at the appropriations of the standing committees of the House. In the first session of the 92d Congress, the House Internal Security Committee ranked sixth, receiving an appropriation of \$570,000 in addition to approximately \$250,000 it automatically receives as a standing committee. This is a lot of money for a legislative committee which has dealt with only seven substantive pieces of legislation.

The expenditures become still more astounding—and I commend these particularly to those Members who constantly decry the waste of the taxpayers' dollars—when we find that of those seven pieces of legislation, only one was reported out. And that bill, which I discussed previously—H.R. 820, amending the Emergency Detention Act of 1950—was defeated as a substitute for H.R. 234 which was reported out of the Judiciary Committee, and which repealed the Emergency Detention Act outright.

The following chart lists the appropriations for each of the standing committees of the House in the first session of this Congress:

Funds for standing committees, 92d Congress, 1st session, 1971

[Arranged in order of size of the appropriation]

	Amount
House Administration.....	\$1,900,000
Education and Labor.....	1,350,000

	Amount
Public Works.....	\$1,072,670
Government Operations.....	1,032,600
Interstate and Foreign Commerce.....	989,000
Banking and Currency.....	975,000
Internal Security.....	570,000
Post Office and Civil Service.....	533,000
Interior and Insular Affairs.....	478,000
Foreign Affairs.....	425,580
Science and Astronautics.....	380,000
Judiciary.....	350,000
Armed Services.....	300,000
Merchant Marine and Fisheries.....	291,500
Agriculture.....	250,000
District of Columbia.....	220,000
Veterans' Affairs.....	150,000
Ways and Means.....	75,000
Standards of Official Conduct.....	25,000
Rules.....	5,000

Where has all this money gone? Certainly, the committee's 56 staff members have not been working solely on legislation—that is obvious.

What else has the committee been doing with this money?

It held four sets of hearings in 1971. Only one of these was directed toward legislation, and this concerned a loyalty-security program for Federal employees. Either the Judiciary Committee or the Post Office and Civil Service Committee could better have jurisdiction over this subject.

Another set of hearings was held on the National Peace Action Coalition and the Peoples' Coalition for Peace and Justice. Both these groups had as their avowed aim bringing an end to the war in Southeast Asia and were exercising constitutionally protected rights. The first amendment is still the cornerstone of our democracy.

Thirteen days were spent by this committee on what it calls the Theory and Practice of Communism in 1971. Testimony was taken from undercover agents and from defectors and others from China, the Soviet Union, and Latin America. This subject falls within the jurisdiction of the Foreign Affairs Committee.

The final set of hearings held in October, dealt with subversion in the military. Again, the activities of the House Internal Security Committee encroached on the jurisdiction of another committee of the House. Matters concerning the military have long been under the jurisdiction of the Armed Services Committee. The fact that this committee intends to deal with this subject, as well as any other it so chooses, constitutes a clear conflict which will continue so long as the Members of this body continue to grant appropriations.

Since all of these hearings were held in Washington, they obviously could not have used much of the money the committee was given for 1971. It is apparent that the bulk of this money went to maintain the massive system of files, files which are not only used for the arcane purposes of this committee, but files which are used by the executive branch as well.

Rule XI, paragraph 27(c), of the House of Representatives, provides that committee files are the property of the House of Representatives, stating:

All committee hearings, records, data, charts and files shall be kept separate and distinct from congressional office records of the member serving as chairman of the com-

mittee, and such records shall be the property of the House.

The chairman of the Internal Security Committee himself expressed this view on March 2, 1971, when the House was considering House Resolution 264 regarding compliance by the committee with a court order of discovery issued by the U.S. District Court for the Northern District of Illinois. At page 4585 of the CONGRESSIONAL RECORD, volume 117, part 4, the chairman stated:

No document under the control and in the possession of the House of Representatives, can by the mandate or process of the ordinary courts of justice be taken from such control or possession except by the permission of the House of Representatives . . . no member of the House has the authority to release these documents without the permission of the House of Representatives.

If a committee does not have the authority to comply with a valid Federal court order to produce files, unless the House consents, how then does this committee have the authority to open its files to the executive? Of course, the committee does not have this authority—an issue which I discussed previously in the debate.

Yet, page 166 of the committee's 1970 annual report stated that—

Some 25 departments and agencies of the federal government include a search of committee records in their security programs under Executive Order. During the past year there were 1,348 agency visits to the section by authorized representatives of the federal government.

When I questioned him earlier in the debate, the chairman of the Internal Security Committee said that the number of agency visits in 1971 approximated the number in 1970.

Forgetting about this committee's pitiful lack of legislative activity, forgetting about its affronts on our civil liberties and even forgetting about the exorbitant amounts this committee pours down the pit of repressive intentions—its file-keeping function alone mandates its termination.

We have seen year after year that the HISC's legislative output is about minimal, that its bills belong in other committees, and that its hearings are usually used for the purpose of exposure and often devoid of due process. We have watched this committee spend over \$7½ million of the taxpayers' dollars. By approving the request for funds before us, the House will thereby sanction continuing this excessive and outrageous performance. This committee has completely failed to earn either the right to use public funds or the support of the House of Representatives. It is high time we faced that reality.

Mr. ANNUNZIO. Mr. Speaker, we are being asked today to appropriate \$525,000 for this committee which has little in the way of legislative accomplishment to its credit and which uses its investigative power to violate liberties guaranteed by the Constitution. We are asked to give the committee more than half a million dollars for this second session alone, in addition to the \$570,000 appropriated for it in the first session of the 92d Congress and in addition to funds allotted to it for staff salaries under the Legislative Reorganization Act. If we

pass this resolution we will have given the committee well over \$1.5 million in this Congress. Surely, Members must see that this is more than \$1.5 million of taxpayers' money thrown away on a committee which has little legislative purpose.

Mr. Speaker, the business of Congress is legislation, and the measure of the value of any committee is the contribution which it makes toward fulfillment of Congress' legislative responsibilities. By this measure, the Internal Security Committee has been of little value to Congress and to the country. From the 88th through the 91st Congresses, inclusive, only two of the committees' bills have become law—H.R. 950 in the 88th Congress—Public Law 88-290—regarding personnel security in the National Security Agency, and S. 2171 passed in lieu of H.R. 12601 in the 90th Congress—Public Law 90-237—to amend the functions of the Subversive Activities Control Board.

During this same period of four consecutive Congresses only two of its other bills passed the House—H.R. 12047, 89th Congress; H.R. 14864, 91st Congress. It is simply unreasonable to maintain a full standing committee with such limited legislative output. The mandate of the Judiciary Committee already includes jurisdiction over espionage. I have urged before and I urge now that the functions of the Internal Security Committee be transferred to the Judiciary Committee where it belongs.

Mr. Speaker, the problems which Congress and the country must face are so serious and urgent that the diversion of more than a \$1.5 million of public funds to this committee during the present Congress is appalling. In my city of Chicago, I can unequivocally state that we desperately need money to improve the quality of education in our schools, to improve mass transportation facilities, to eliminate environmental pollution, and to combat crime in the streets. Faced with such urgent funding needs, can we turn away and appropriate such an enormous sum to a committee which does so little? With the forthcoming vote on House Resolution 789 let us re-order our priorities by denying funds to the House Committee on Internal Security and by determining to reallocate this money to meet the pressing problems of our cities, especially in view of the fact that this committee function can be taken over by the Judiciary Committee which does have jurisdiction and which can continue with the work of internal security.

Mr. HELSTOSKI. Mr. Speaker, at a time of inflation and of increasing threats to the civil liberties of all Americans, one is compelled to ask why the House Committee on Internal Security has requested the funds authorized by this resolution.

Could it be the pressure of a committee calendar weighted with unfinished, important legislation? Clearly not. The HISC Committee received a mere seven bills for consideration during 1971, compared with an average load of 619 bills referred to every other House committee. An inability to handle pending legislation cannot be the basis for this request.

Could it be that this committee is grossly understaffed in comparison with other House committees? No way. The House Internal Security Committee already has the fourth largest staff of all House committees. When one considers that this committee has at its disposal 48 assistants to aid in processing seven obscure pieces of legislation and in conducting witch hunts, it becomes obvious that understaffing is not HISC's problem.

Does HISC's budget request stem from the cost of conducting hearings which have exposed serious threats to our national security? No, again. The four hearings conducted by the committee last year can only be described as fishing expeditions, held to uncover supposed Communist infiltration of student groups and the military. In line with HISC's track record, dating back to the glorious days of the "Un-American Activities" unit, these hearings made a mockery of first amendment rights and the information resulting from the investigations was worthless.

Why then, is the House Internal Security Committee really asking for this money?

The fact is that the committee requires more money to maintain, and expand, the massive files it has compiled containing personal information on hundreds of thousands of American citizens. This is the noble project for which we are being asked to vote over half a million dollars. The committee is asking American taxpayers to subsidize its unrestrained gathering of data dealing with their personal lives.

The funds contained in House Resolution 848 would be utilized to maintain a computerized data bank, whose very existence compromises all Americans' rights to privacy, to free speech, and to free association. At a time when the military, under congressional pressure, claims to have disbanded its domestic spying operations, it is unconscionable for the House to be enabling HISC to take up where the Pentagon's spies left off.

The House Internal Security Committee has been squandering its current budget on a "1984" type of thought control, while many of the programs to meet legitimate needs of Americans have been underfunded or neglected. In transparent attempt to gain respectability a few years ago, the committee changed its name. It remains, however, a blot on the good name of Congress and a threat to the basic rights of thousands of Americans who have done no more than exercise their first amendment rights.

This resolution should be defeated; this committee should be abolished.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. EDWARDS of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 303, nays 102, not voting 26, as follows:

[Roll No. 57]

YEAS—303

Abbutt	Fulton	Miller, Ohio
Abernethy	Fuqua	Mills, Ark.
Alexander	Garmatz	Mills, Md.
Anderson, Ill.	Gettys	Minish
Archer	Gibbons	Minshall
Arends	Goldwater	Mizell
Aspinall	Gonzalez	Mollohan
Baker	Goodling	Monagan
Belcher	Gray	Montgomery
Bell	Green, Oreg.	Morgan
Bennett	Griffin	Mosher
Bergland	Griffiths	Murphy, Ill.
Betts	Gross	Murphy, N.Y.
Bevill	Grover	Myers
Blaggi	Gubser	Natcher
Blester	Hagan	Nelsen
Blackburn	Haley	Nichols
Blanton	Hall	O'Konski
Boggs	Halpern	Passman
Bow	Hamilton	Patman
Bray	Hammer-	Pelly
Brinkley	schmidt	Pepper
Brooks	Hanley	Perkins
Broomfield	Hansen, Idaho	Pettis
Brozman	Hansen, Wash.	Peyser
Brown, Mich.	Harsha	Pickle
Brown, Ohio	Harvey	Pike
Broyhill, N.C.	Hastings	Pirnie
Broyhill, Va.	Hays	Poage
Buchanan	Heckler, Mass.	Poff
Burke, Fla.	Heinz	Powell
Burleson, Tex.	Henderson	Preyer, N.C.
Burlison, Mo.	Hicks, Mass.	Price, Ill.
Byrnes, Wis.	Hicks, Wash.	Price, Tex.
Byron	Hillis	Pucinski
Cabell	Hogan	Purcell
Caffery	Horton	Quile
Carter	Hosmer	Quillen
Casey, Tex.	Hull	Railsback
Cederberg	Hungate	Randall
Chamberlain	Hunt	Rarick
Chappell	Hutchinson	Rhodes
Clancy	Ichord	Roberts
Clark	Jacobs	Robinson, Va.
Clawson, Del.	Jarman	Robison, N.Y.
Cleveland	Johnson, Calif.	Rodino
Collier	Johnson, Pa.	Roe
Collins, Tex.	Jonas	Rogers
Colmer	Jones, Ala.	Roncallo
Conable	Jones, N.C.	Rooney, N.Y.
Coughlin	Jones, Tenn.	Rooney, Pa.
Crane	Kazen	Rostenkowski
Curlin	Keating	Roush
Daniel, Va.	Kee	Rousselot
Daniels, N.J.	Keith	Roy
Davis, Ga.	Kemp	Runnels
Davis, Wis.	King	Ruppe
de la Garza	Kluczynski	Ruth
Delaney	Kuykendall	Sandman
Dellenback	Kyl	Satterfield
Denholm	Landgrebe	Saylor
Dennis	Landrum	Scherle
Dent	Latta	Schmitz
Derwinski	Lennon	Schneebeli
Devine	Lent	Scott
Dickinson	Link	Sebellus
Dorn	Lloyd	Shipley
Dowdy	Long, La.	Shoup
Downing	Long, Md.	Shriver
Dulski	Lujan	Sikes
Duncan	McClary	Sisk
du Pont	McClure	Skubitz
Edmondson	McCollister	Slack
Edwards, Ala.	McCulloch	Smith, Iowa
Erlenborn	McDade	Smith, N.Y.
Esch	McDonald,	Snyder
Eshleman	Mich.	Spence
Evins, Tenn.	McEwen	Springer
Fascell	McFall	Staggers
Findley	McKay	Stanton.
Fish	McKevitt	J. William
Fisher	McMillan	Steed
Flood	Mahon	Steele
Flowers	Mailhard	Steiger, Ariz.
Flynt	Mann	Steiger, Wis.
Foley	Mathias, Calif.	Stephens
Ford, Gerald R.	Mathis, Ga.	Stratton
Forsythe	Mayne	Stuckey
Fountain	Mazzoli	Sullivan
Frelinghuysen	Melcher	Symington
Frenzel	Michel	Talcott

Taylor	Wampler	Wright
Teague, Calif.	Ware	Wyatt
Teague, Tex.	Whalley	Wylder
Terry	White	Wylie
Thompson, Ga.	Whitehurst	Wyman
Thomson, Wis.	Whitten	Yatron
Thone	Widnall	Young, Fla.
Vander Jagt	Wiggins	Young, Tex.
Veysey	Williams	Zablocki
Vigorito	Wilson, Bob	Zlon
Waggonner	Winn	Zwach

NAYS—102

Abourezk	Drinan	Moorhead
Abzug	Eckhardt	Morse
Adams	Edwards, Calif.	Moss
Addabbo	Ellberg	Nedzi
Anderson,	Evans, Colo.	Nix
Calif.	Ford	Obey
Annunzio	William D.	O'Hara
Ashley	Fraser	Patten
Aspin	Gallagher	Podell
Badillo	Gaydos	Rangel
Barrett	Gialmo	Rees
Begich	Green, Pa.	Reid
Bingham	Gude	Reuss
Boland	Hanna	Riegle
Bolling	Harrington	Rosenthal
Brademas	Hathaway	Roybal
Brasco	Hawkins	Ryan
Burke, Mass.	Hechler, W. Va.	St Germain
Burton	Helstoski	Sarbanes
Byrne, Pa.	Hollifield	Schwengel
Carey, N.Y.	Howard	Seiberling
Carney	Karth	Stanton
Celler	Kastemerer	James V.
Chisholm	Koch	Stokes
Collins, Ill.	Kyros	Thompson, N.J.
Conte	Leggett	Tierman
Conyers	McCormack	Udall
Corman	Madden	Van Deerlin
Cotter	Mallory	Waldie
Culver	Matsunaga	Whalen
Danielson	Meeds	Wilson
Delums	Metcalfe	Charles H.
Diggs	Mikva	Wolff
Dingell	Miller, Calif.	Yates
Donohue	Mink	
Dow	Mitchell	

NOT VOTING—26

Anderson,	Dwyer	O'Neill
Tenn.	Edwards, La.	Pryor, Ark.
Andrews	Frey	Scheuer
Ashbrook	Galifianakis	Smith, Calif.
Baring	Grasso	Stubblefield
Blatnik	Hébert	Ullman
Camp	McCloskey	Vanik
Clausen,	McKinney	
Don H.	Macdonald,	
Clay	Mass.	
Davis, S.C.	Martin	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Blatnik for, with Mr. Scheuer against.
 Mr. Hébert for, with Mr. McCloskey against.
 Mr. Davis of South Carolina for, with Mr. Clay against.
 Mr. Ullman for, with Mr. O'Neill, against.
 Mr. Martin for, with Mr. Macdonald of Massachusetts against.
 Mr. Anderson of Tennessee for, with Mr. Vanik against.

Until further notice:

Mr. Stubblefield with Mr. Ashbrook.
 Mr. Pryor of Arkansas with Mr. Camp.
 Mrs. Grasso with Mrs. Dwyer.
 Mr. McKinney with Mr. Smith of California.
 Mr. Baring with Mr. Andrews.
 Mr. Frey with Mr. Don H. Clausen.

Messrs. BYRNE of Pennsylvania, BARRETT, and MADDEN changed their votes from "yea" to "nay."

Mr. SYMINGTON changed his vote from "present" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on that resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PROVIDING FUNDS FOR COMMITTEE ON FOREIGN AFFAIRS

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 823 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 823

Resolved, That, for the further expenses of conducting the studies and investigations, authorized by H. Res. 109, Ninety-second Congress, incurred by the Committee on Foreign Affairs, acting as a whole or by subcommittee, not to exceed \$511,082, including expenditures for the employment of experts, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of the committee, and approved by the Committee on House Administration. However, not to exceed \$50,000 of the amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on Foreign Affairs shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration under existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The gentleman from New Jersey is recognized for 1 hour.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I am glad to yield to my distinguished friend from Missouri.

Mr. HALL. Mr. Speaker, I note in following the various House resolutions which are coming before us today that section 3—or a similar portion thereof—authorizes these funds including travel pursuant to regulations established by the Committee on House Administration

under existing law. I would ask the chairman of the subcommittee of the Committee on House Administration handling these resolutions today, if in all instances it involves what we used to refer to in the Committee on Rules as the Hall amendment; namely, that those who travel may not draw per-diem allowances in any type of currencies, for more than one 24-hour period in any country in which they might land by fast jet or otherwise.

Mr. THOMPSON of New Jersey. The gentleman is exactly correct.

Mr. HALL. I thank the gentleman.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON THE JUDICIARY

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 822 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 822

Resolved, That, effective January 18, 1972, the expenses of conducting the studies and investigations authorized by H. Res. 161 of the Ninety-second Congress, incurred by the Committee on the Judiciary, acting as a whole or by subcommittee, not to exceed \$450,000 including expenditures for the employment of experts, special counsel, clerical stenographic, and other assistants and consultants, and all expenses necessary for travel and subsistence incurred by member and employees while engaged in the activities of the committee or any subcommittee thereof, shall be paid out of the contingent fund of the House on vouchers authorized by such committee signed by the chairman of such committee and approved by the Committee on House Administration. Not to exceed \$20,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on the Judiciary shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration under existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 827 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 827

Resolved, That the further expenses of the investigations and studies to be conducted pursuant to House Resolution 18, by the Committee on Interior and Insular Affairs, acting as a whole or by subcommittee, not to exceed \$226,000, including expenditures for the employment of investigators, attorneys, individual consultants or organizations thereof, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. However, not to exceed \$40,000 of the amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act

of 1946 (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

Sec. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on Interior and Insular Affairs shall furnish the chairman on House Administration information with respect to any study or investigation intended to be financed from such funds.

Sec. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration under existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

There was no objection.

(Mr. THOMPSON of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of New Jersey. Mr. Speaker, this resolution provides for the funds for the operation of the Committee on Interior and Insular Affairs.

Last year the House authorized \$478,000 for this committee. This year the amount is \$226,000, representing a decrease of \$252,000, due in large measure to a carryover of funds from last year.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. SAYLOR).

(Mr. SAYLOR asked and was given permission to revise and extend his remarks.)

Mr. SAYLOR. I thank the gentleman for yielding.

Mr. Speaker, I take this time, first, to commend the gentleman from New Jersey and his committee for the work that they have done this early in the session in bringing this resolution to the House and getting it behind us. However, I am concerned with the growing tendency that appears evident before the committee that they seem to be granting more and more authority to the subcommittees of the various committees of Congress, not only the House Interior Committee, but all other committees.

Very frankly, we actually pervert the old Reorganization Act of 1946 when Congress got rid of all of the small committees and made them major committees of the House of Representatives.

If the same trend continues, we are going to have more subcommittees with authorizations than we had in 1946.

Mr. Speaker, I would sincerely hope that the gentleman from New Jersey and his distinguished committee would keep this in mind as they look at the appropriations to be made to these committees in the next session of Congress.

I should like to add at this point, in table form, a review of the appropriations for the various committees of the House from the 80th Congress to the present Congress. The table will show that the sums appropriated are growing at an alarming rate and pace:

Committee	80th	81st	82d	83d	84th	85th	86th	87th	88th	89th	90th	91st	92d
Agriculture.....	30,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	75,000	100,000	100,000	250,000
Armed Forces Survivors Benefits (Select).....				20,000	36,500			25,000	25,000	75,000	40,000	100,000	
Armed Services.....	250,000	10,000	150,000	150,000	150,000	150,000	150,000	150,000	75,000	100,000	150,000	175,000	300,000
Asian Development (Select).....				180,000								30,000	
Baltic Countries (Select).....					75,000	105,000	105,000	105,000	555,000	532,000	450,000	692,500	975,000
Banking and Currency.....		25,000	70,000		75,000	85,000	100,000	100,000	125,000	280,000	475,000	681,000	
Campaign Expenditures.....	40,000	40,000	30,000	25,000	30,000	30,000	35,000	35,000	35,000	55,000	50,000	60,000	150,000
Commodity Exchanges (Select).....	35,000												
Crime.....												375,000	675,000
District of Columbia.....	15,000	32,000	2,000	2,000	2,000	7,000	10,000	10,000	25,000	25,000	50,000	100,000	220,000
Education and Labor.....	115,000	30,000	30,000	50,000	125,000	125,000	160,000	633,000	212,000	200,000	504,000	769,600	1,250,000
Energy Resources (Select).....				75,000			168,000		263,000	510,000	554,400	769,600	1,500,000
Expenditures in Executive Departments.....	291,500	300,000	360,000										
Foreign Affairs.....	125,000	50,000	75,000	75,000	75,000	75,000	150,000	150,000	112,500	118,250	175,000	200,000	425,580
Foreign Aid.....	125,000							5,000	100,000	75,000	60,000	150,000	
Foundations (Select).....			75,000	115,000									
Government Operations.....				585,050	495,000	575,000	640,000	640,000	600,000	650,000	725,000	850,000	1,032,600
Government Research.....					500,000	600,000	400,000	400,000	600,000	800,000	775,000	900,000	
House Administration.....	5,000				65,000	130,000	10,000	20,000	5,000	5,000	50,000	300,000	400,000
House Restaurant (Select).....					20,000	40,000	10,000	10,000		25,000		500,000	
Interior and Insular Affairs.....			100,000	50,000	50,000	57,500	60,000	60,000	30,000	75,000	100,000	115,000	478,000
Internal Security (Un-American Activities).....	300,000	350,000	500,000	300,000	225,000	305,000	327,000	331,000	360,000	420,000	350,000	400,000	570,000
Interstate and Foreign Commerce.....	55,000	60,000	80,000	60,000	60,000	100,000	475,000	435,000	278,450	262,000	395,000	595,000	989,000
Investigate Federal Communications Commission (Select).....	25,000												
Investigate Export Control Act of 1949 (Select).....								50,000					
Investigate Insecticides, et cetera (Select).....		30,000	75,000										
Investigate Pornographic Material (Select).....			25,000										
Judiciary.....		85,000	308,000	110,000	125,000	350,000	200,000	365,000	396,000	340,000	250,000	250,000	350,000
Katyn Forest Massacre (Select).....			85,000										
Lobbying Activities (Select).....		95,000											
Merchant Marine and Fisheries.....	50,000	80,000		50,000	75,000	50,000	75,000	75,000	37,500	50,000	115,000	135,000	291,500
Outer Space (Select).....					10,000	25,000				85,000	155,000	175,000	
Post Office and Civil Service.....	50,000	50,000		50,000	75,000	50,000	57,000	100,000	62,500	175,000	284,000	412,000	533,000
								25,000	62,500	240,000	311,000	394,000	

Footnotes at end of table.

Committee	80th	81st	82d	83d	84th	85th	86th	87th	88th	89th	90th	91st	92d
Public Land	25,000	30,000											
Public Works	125,000	15,000	95,000	30,000	50,000	125,000	135,000	950,000	575,000	580,000	460,000	486,000	1,072,67
Rules				2,500		35,000	350,000	150,000	600,000	342,000	550,000	587,000	
Science and Astronautics							300,000	300,000	150,000	250,000	5,000	5,000	5,000
Small Business (Select)	130,000	150,000	260,000	135,000	170,000	225,000	275,000	580,000	175,000	250,000	300,000	350,000	380,000
Standards of Official Conduct				25,000	160,000	218,000	260,000		275,000	300,000	300,000	365,000	
Veterans' Affairs	25,000			50,000	50,000	75,000	110,000	50,000	250,000	335,000	365,000	390,000	530,000
Ways and Means	25,000	25,000	250,000	200,000	330,000	250,000	300,000	25,000	60,000	100,000	100,000	150,000	150,000
									10,000	10,000	20,000	25,000	
									60,000	60,000	75,000	100,000	
									100,000	85,000	60,000	75,000	
									12,500	35,000	50,000	50,000	75,000

¹ Requested.

Note: Where 1 figure appears for a committee for a Congress, the amount applies for the entire Congress. Where 2 figures appear, the top amount applies to the 1st sess. and the bottom figure applies to the 2d sess.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I would be happy to yield to my distinguished colleague from Alabama.

Mr. DICKINSON. I would say to the gentleman from Pennsylvania that as a member of the committee I share your concern over the proliferation of subcommittees. But, I was wondering what the gentleman would suggest as an alternative, sitting there day after day hearing these various committee chairmen come in with the ranking member when they come in there with the records and data and say that this is what they need in order to do their job. They lay out their reports of the past year's activity and they say, just as you and your chairman say when you come in, "This is what we need in order to do our job right."

What does the gentleman suggest that the House Administration Committee do?

Mr. SAYLOR. I would suggest to my colleague that we cut down a little bit on each one of these committees and say to them, "If you need any more, you can always come back."

Mr. DICKINSON. Mr. Speaker, if the gentleman will yield further, instead of saving the money, you would be doubling the workload.

Mr. THOMPSON of New Jersey. Mr. Speaker, with respect to the remarks of the gentleman from Pennsylvania, the Subcommittee on Accounts and the Committee on House Administration in each and every instance has insisted that the chairman and the ranking member and such other members of the committee as desire to do so appear before us.

They prepare a formal request, accompanied by a letter to the distinguished chairman of the full committee, the gentleman from Ohio (Mr. HAYS). Those budget requests are studied carefully. We carefully question each committee chairman when he appears before the Subcommittee on Accounts. In each case we require them to justify the needs represented in their request, and in each case, without fail, the gentleman from Alabama (Mr. DICKINSON) has undertaken to ask the ranking minority members a number of penetrating and relevant questions. These matters are studied thoroughly, indeed, I think that in this case, with a request which is \$252,000 less than the amount authorized last year, we have an example of the care with which these matters are considered.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 824 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 824

Resolved, That, for the further expenses of the investigations and studies to be conducted pursuant to H. Res. 243, by the Committee on Science and Astronautics, acting as a whole or by subcommittee, not to exceed \$410,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a (1)), shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed \$25,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

Sec. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House; and the chairman of the Committee on Science and Astronautics shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

Sec. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr.

Speaker, here again is an example of the care with which these matters are considered. The chairman of the committee, the gentleman from California (Mr. MILLER) and the ranking member, appeared before the committee, in agreement. Their request was given careful consideration, and I commend it to the Members of the House.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 825 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 825

Resolved, That, effective from January 3, 1971, the additional expenses of the investigations and studies to be conducted pursuant to H. Res. 5 and H. Res. 19, by the permanent Select Committee on Small Business, acting as a whole or by subcommittee, not to exceed \$398,000, including expenditures for the employment of investigators, attorneys, individual consultants or organizations thereof, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. However, not to exceed \$25,000 of the amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

Sec. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the permanent Select Committee on Small Business shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

Sec. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration under existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading

of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr. Speaker, the chairman of the Committee on Small Business, and the ranking member, appeared before us and were questioned with respect to their activities and their needs. In the final analysis, with their complete agreement, we reported out a request for \$398,000, which represents a \$132,000 decrease from the previous year. We consider the request to be entirely justified.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 831 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 831

Resolved, That for the further expenses of the investigations and studies to be conducted by the Committee on House Administration, acting as a whole or by subcommittee, not to exceed \$215,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)), shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed \$30,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There is no objection.

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr. Speaker, House Resolution 831 represents moneys for the Committee on House Administration. Last year the House authorized the committee an expenditure of \$400,000. The chairman of the committee, the gentleman from Ohio (Mr. HAYS) by what I consider to be splendid administration has not only increased the efficiency of the committee and its operations, and indeed in many areas expanded them, but has done so in such a way that this year he is asking for only \$215,000, representing a decrease from last year of \$185,000.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I would like to say, so that nobody in the House will think we are misrepresenting things, that we are keeping the computer section which the committee took over from the Clerk in a separate fund and that it is funded separately.

This amount, which does represent a decrease, is for the Committee on House Administration staff which has, I might say, many more duties than they previously had.

We have tried, and I have had tremendous cooperation from the chairmen of the subcommittees to get the job done.

Mr. Speaker, I thank the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 826 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 826

Resolved, That effective January 3, 1972, the expenses of the investigations and studies to be conducted pursuant to H. Res. 217, by the Committee on Post Office and Civil Service, acting as a whole or by subcommittee, not to exceed \$523,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)), shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed \$60,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2

U.S.C. 72a(1)), but the monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on Post Office and Civil Service shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from New Jersey is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr. Speaker, the chairman and ranking member of the Committee on Post Office and Civil Service came before the Subcommittee on Accounts and explained completely their budget request. Last year they were authorized \$533,000. This year the committee asks that the House authorize \$523,000, representing a \$10,000 decrease.

Mr. Speaker, I might say in connection with not only this resolution but all of those being considered today, that the members of the Subcommittee on Accounts have worked very hard, very faithfully, and very cooperatively in the review of these budget requests. I do not want to let this opportunity pass without commending my friend, the ranking member of the subcommittee, the gentleman from Alabama (Mr. DICKINSON) for his cooperation.

Each and every one of these matters has been considered with great care.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON BANKING AND CURRENCY

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 837 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 837

Resolved, That the further expenses of conducting the investigations and studies authorized by H. Res. 114, Ninety-second Congress, incurred by the Committee on Banking and Currency, acting as a whole or by subcommittee, appointed by the chairman of the committee, not to exceed \$684,800 in addition to the unexpended balance of any sum heretofore made available for conducting such investigations and studies, including

expenditures for employment, travel, and subsistence of investigators, attorneys, individual consultants or organizations thereof, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. However, not to exceed \$20,000 of the amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose. Not to exceed \$327,300 of the total amount provided by this resolution (in addition to the unexpended balance of any sum heretofore made available for the expenses of the Housing Subcommittee of the Committee on Banking and Currency) shall be made available for the expenses of the Housing Subcommittee of the Committee on Banking and Currency in accordance with this resolution which shall be paid on vouchers authorized by such subcommittee, signed by the chairman of such subcommittee or the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on Banking and Currency shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration Under existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from New Jersey (Mr. THOMPSON) is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr. Speaker, here again the chairman of the committee and the ranking minority member appeared before us after having sent us the requisite information which was considered with great care.

Last year the House authorized for the Committee on Banking and Currency \$975,000. This year we are respectfully requesting that the committee be given \$684,000 representing a \$291,000 decrease.

Does the gentleman from Missouri wish that I yield to him?

Mr. HALL. At the conclusion of the gentleman's statement, Mr. Speaker, I would appreciate his yielding to me.

Mr. THOMPSON of New Jersey. I am glad to yield to the gentleman from Missouri at this time for debate only.

Mr. HALL. I would just like to be advised in a little more detail, before we let this particular resolution go through practically by unanimous consent or otherwise, as to why the additional funds for this particular committee, historically an off-shoot of the Committee on Ways and Means, but in fact one that has perhaps been as much responsible for the deficits in the Federal Treasury as any other committee we have in the House. Why should they be increased? Why should they have \$684,800 in addition to the unexpended balance carried over? Just a few words of justification please, as to how this budget will be expended.

For example, in the committee report—

Mr. THOMPSON of New Jersey. May the gentleman from New Jersey make a comment at that point?

Mr. HALL. Of course.

Mr. THOMPSON of New Jersey. The carryover, I might say to the gentleman from Missouri, was \$260,000. Therefore, the total amount which this resolution would make available to the committee is still \$31,000 less than the amount the House authorized the committee to spend last year.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, I understand that, and I got the general decrease over what was allocated for last year from the gentleman's original statement. I appreciate that and all small favors. Any saving to the taxpayers is deeply appreciated by the gentleman from Missouri. But I just never have quite understood the justification and, of course, this particular committee often comes back with a supplemental for additional funding, and usually for a travel resolution. I refer to the Committee on Banking and

Currency, not the Committee on House Administration.

Mr. THOMPSON of New Jersey. I might say to my friend from Missouri that they did not come back to the House for any additional funds last year. With respect to travel authorizations, those are handled by the Committee on Rules. I do not anticipate that this committee will come back to us this year.

Mr. HALL. I am well aware of that, but has the gentleman no justification in addition to that on page 2 of his own committee report, the third paragraph from the bottom?

Mr. THOMPSON of New Jersey. I do not understand what justification is lacking in my friend's mind.

Mr. HALL. To me the listed or expected expenditures do not add up to the total amount of \$684,800, plus the carryover funds. That worries me, as to where the funds of this particular committee might be utilized.

Mr. THOMPSON of New Jersey. I might say to the gentleman that under rather intense questioning, the members of the Subcommittee on Accounts were satisfied that the moneys are being used and are not in any way being diverted for any other purpose at all. They are being used in the proper exercise of the jurisdiction of the committee.

Mr. HALL. In the opinion of the committee, as a result of his questioning, he thinks that this particular standing committee of the House is not overspending?

Mr. THOMPSON of New Jersey. Yes; I think that they are not overspending.

Mr. HALL. The difference in opinion is what makes the "Mairzy Doats" around here. I thank the gentleman for his response.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Alabama.

Mr. DICKINSON. I am inclined to agree with the gentleman from Missouri. That probably is true, and at this time I ask unanimous consent to put into the RECORD the history of the increase in the budgeted amount of this committee for the past few years.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The history is as follows:

Committee	80th	81st	82d	83d	84th	85th	86th	87th	88th	89th	90th	91st	92d
Committee on Banking and Currency.....	25,000	70,000	75,000	75,000	105,000	105,000	105,000	555,000	532,000	450,000	692,500	975,000	
				75,000	85,000	100,000	100,000	125,000	280,000	475,000	681,000		

Note: Where 1 figure appears for a committee for a Congress, the amount applies for the entire Congress. Where 2 figures appear, the top amount applies to the 1st sess. and the bottom figure applies to the 2d sess.

Mr. THOMPSON of New Jersey. I think that might be valuable. I think that probably would be a valuable contribution. We can examine it, and I might say to the gentleman from Alabama and the gentleman from Missouri with respect to this and any other committees

and their staffing, if you direct your inquiries to us, we shall answer them as quickly and as candidly as possible.

Mr. DICKINSON. If the gentleman will yield further, I have had prepared, or the minority staff has had prepared, the history and chronology of the in-

creases year by year of all the committees, and I think it would be very helpful for the Members.

(Mr. DICKINSON asked and was given permission to insert extraneous matter at this point in the RECORD.)

The material follows:

Committees	80th	81st	82d	83d	84th	85th	86th	87th	88th	89th	90th	91st	92d
Agriculture.....	30,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	75,000	100,000	100,000	250,000
Armed Forces Survivors Benefits (Select).....				20,000	36,500			25,000	25,000	75,000	40,000	100,000	
Armed Services.....	250,000	10,000	150,000	150,000	150,000	150,000	150,000	150,000	75,000	100,000	150,000	175,000	300,000
						75,000			75,000	150,000	150,000	250,000	

Committees	80th	81st	82d	83d	84th	85th	86th	87th	88th	89th	90th	91st	92d
Asian Development (Select)				180,000								30,000	
Baltic Countries (Select)													
Banking and Currency		25,000	70,000		75,000	105,000	105,000	105,000	555,000	532,000	450,000	692,500	975,000
Campaign Expenditures	40,000	40,000	30,000	25,000	30,000	30,000	35,000	35,000	35,000	55,000	50,000	60,000	15,000
Commodity Exchanges (Select)	35,000												
Crime												375,000	675,000
District of Columbia	15,000	32,000	2,000	2,000	2,000	7,000	10,000	10,000	25,000	25,000	50,000	600,000	220,000
Education and Labor	115,000	30,000	30,000	50,000	125,000	125,000	160,000	633,000	212,000	200,000	504,000	769,600	1,250,000
Expenditures in Executive Departments	291,500	300,000	360,000	75,000	75,000	75,000	150,000	150,000	112,500	118,250	175,000	200,000	425,580
Foreign Affairs	125,000	50,000	75,000					5,000	100,000	75,000	60,000	150,000	
Foreign Aid	125,000												
Foundations (Select)			75,000	115,000									
Government Operations				585,050	495,000	575,000	640,000	640,000	600,000	650,000	725,000	850,000	1,032,600
Government Research					65,000	130,000	10,000	20,000	553,000				
House Administration	5,000				20,000	40,000	10,000	10,000	5,000	5,000	50,000	300,000	400,000
House Restaurant (Select)												500,000	
Interior and Insular Affairs			100,000	50,000	50,000	57,500	60,000	60,000	30,000	75,000	100,000	115,000	43,000
Internal Security (Un-American Activities)	300,000	350,000	500,000	300,000	225,000	305,000	327,000	331,000	360,000	420,000	350,000	400,000	570,000
Interstate and Foreign Commerce	55,000	60,000	80,000	60,000	60,000	100,000	475,000	435,000	278,450	262,000	395,000	595,000	989,000
Investigate Federal Communications Commission (Select)	25,000								50,000				
Investigate Export Control Act of 1949 (Select)		30,000	75,000										
Investigate Insecticides, etc. (Select)			25,000										
Investigate Pornographic Material (Select)		85,000	308,000	110,000	125,000	350,000	200,000	365,000	396,000	340,000	250,000	250,000	350,000
Judiciary				25,000	100,000	15,000	225,000	300,000	400,000	320,000	250,000	280,000	
Katyn Forest Massacre (Select)			85,000										
Lobbying Activities (Select)		95,000											
Merchant Marine and Fisheries	50,000	80,000		50,000	75,000	50,000	75,000	75,000	37,500	50,000	115,000	135,000	291,500
Outer Space (Select)					10,000	25,000				85,000	155,000	175,000	
Post Office and Civil Service	50,000	50,000		50,000	75,000	50,000	75,000	100,000	62,500	175,000	284,000	412,000	533,000
Public Land	25,000	30,000											
Public Works	125,000	15,000	95,000	30,000	50,000	125,000	125,000	950,000	575,000	580,000	460,000	486,000	1,072,670
Rules				2,500									
Science and Astronautics							300,000	300,000	150,000	250,000	350,000	250,000	5,000
Small Business (Select)	130,000	150,000	260,000	135,000	170,000	225,000	275,000	580,000	175,000	250,000	300,000	365,000	380,000
Standards of Official Conduct				25,000	160,000	218,000	260,000		275,000	300,000	350,000	290,000	530,000
Veterans' Affairs	25,000			50,000	50,000	75,000	110,000	50,000	60,000	100,000	100,000	150,000	25,000
Ways and Means	25,000	25,000	250,000	200,000	330,000	250,000	300,000	25,000	85,000	60,000	75,000	100,000	75,000

¹ Requested.

Note: Where 1 figure appears for a committee for a Congress, the amount applies for the entire Congress. Where 2 figures appear, the top amount applies to the 1st sess. and the bottom figure applies to the 2d sess.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR THE COMMITTEE ON EDUCATION AND LABOR

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 847 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 847

Resolved, That, effective January 1, 1972, the expenses of the investigations and studies to be conducted pursuant to H. Res. 213, by the Committee on Education and Labor, acting as a whole or by subcommittee, not to exceed \$1,128,000, including expenditures for the employment of investigators, attorneys, individual consultants, or organizations thereof, and clerical stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Of such amount \$85,000 shall be available for each of seven standing subcommittees of the Committee on Education and Labor. How-

ever, not to exceed \$10,000 of the amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on Education and Labor shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration under existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The gentleman from New Jersey is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr.

Speaker, I yield to the gentleman from Kentucky (Mr. PERKINS) the distinguished chairman of the Committee on Education and Labor, such time as he may consume.

Mr. PERKINS. Mr. Speaker, House Resolution 847, authorizing funds for the Committee on Education and Labor, differs from the original budget request of the committee. I am therefore taking this time in order to clarify the legislative history with respect to the resolution and to state my understanding of the combined effect of the committee's budget request and House Resolution 847.

In my letter dated February 24, 1972, and in House Resolution 842 which I introduced, \$1,100,000 was requested for the Committee on Education and Labor for operating expenses for the second session of this Congress. As detailed in my letter of February 24, the total request was computed as follows: \$285,000 for the full committee majority; \$220,000 for the full committee minority; and \$85,000 for each of the seven standing subcommittees. Under our request and in House Resolution 842, the minority would have received 20 percent of the amount requested.

House Resolution 847, under consideration today, proposes \$1,128,000 for the

committee—\$28,000 more than requested in House Resolution 842. This additional amount is, in accordance with the committee report on House Resolution 847, for the minority of the committee. The total of \$1,128,000 will, therefore, be allocated as follows: \$285,000 for full committee majority; \$248,000 for full committee minority; and \$85,000 for each of the seven standing subcommittees. In each of these categories there are carryover funds from the first session. Taking this into account, a total of \$445,454.27 will be available in 1972 for the full committee majority—that is \$160,454.27 in carryover funds from the first session, plus \$285,000 under House Resolution 847. A total of \$370,126.96 will be available in 1972 for the full committee minority; that is, a carryover of \$122,126.96 from the first session, plus \$248,000 under House Resolution 847. For the seven standing subcommittees, a total of \$737,374.34 will be available—that is, a carryover of \$142,374.34 from the first session, plus \$595,000 under House Resolution 847.

This analysis does not take into account funds available for the Special Task Force on Welfare and Pension Plans of the General Subcommittee on Labor.

The first session the full committee majority and the minority were authorized a total of \$655,000. The majority received 57.2 percent or \$375,000; and the minority received 42.8 percent or \$280,000.

The full committee majority and minority have expended a total of \$372,418; the full committee majority expending 57.5 percent of this amount or \$214,545, the minority has expended 42.4 percent of this amount or \$157,873.

Mr. THOMPSON of New Jersey. Mr. Chairman, again the chairman and the ranking member of the Committee on Education and Labor came before the subcommittee. Last year there was an authorization for \$1,250,000. This year the committee is requesting \$1,128,000, the difference, not including the carryover, being \$122,000 decrease.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding.

I am almost embarrassed to be the only one on the floor who continues to ask the same type questions. I want to assure the gentleman I have read the committee report in detail and underlined every pertinent portion thereof, so it looks as though emphasis has been supplied throughout; but this, of course, is by far the greatest expenditure out of the House's contingency funds of any of the resolutions being presented here today, being well over \$1 million.

Again, we have traditionally had in this committee the question of overstaffing, and overexpenditure, and overtravel, and a wealth of proposals brought to the floor of questionable lineage on national interest at least, to be the very kindest about it. I would like to be reassured by the gentleman from New Jersey that this tremendous amount for the functions of this committee is completely justifiable to the taxpayers.

Mr. THOMPSON of New Jersey. Mr. Speaker, I might say to my friend, the gentleman from Missouri, that it is my considered judgment that this amount is justified. I cannot say to my friend, the gentleman from Missouri, that the legislation produced by this committee is not controversial, and that with respect to the substance of it and the substance of it alone, we find ourselves in disagreement. It is, nevertheless, an extraordinarily sensitive committee with extraordinarily broad responsibilities in the area of both education and labor. It is a contentious committee, but it is, indeed, a very hard-working one.

With respect to the moneys, I think there is complete justification. With respect to the substance of what is produced in the form of empowering legislation, the Elementary and Secondary Education Act, the Higher Education Act, and labor matters, we are, indeed, a controversial committee.

Mr. HALL. If the gentleman will yield further, Mr. Speaker, just as other conferees have been able to make certain agreements, perhaps we could at least stipulate with each other that if it is contentious they hang and respond to the strings of mutual interest defined by the name of the committee, excessively from time to time.

Would that be a fair statement?

Mr. THOMPSON of New Jersey. I am not sure I understand all of its implications, but I have never known the gentleman to make an unfair statement, so I will say it is a fair statement. The gentleman is an honored and personal friend.

Mr. HALL. I thank the gentleman.

Secondly, would the gentleman explain to me the fact that the report says that there will be—and the proposal and the funding reflect—substantially more travel by the committee and its subcommittees during the coming year than in 1971. That is at the bottom of page 9.

Mr. THOMPSON of New Jersey. Yes. In the exercise of its oversight responsibilities and in keeping with the latest Reorganization Act, the subcommittees and the Committee on Education and Labor have undertaken substantial review of the operation of the laws over which they have jurisdiction.

If I may make a personal reference as a subcommittee chairman, in the 12 years I have been a subcommittee chairman, except for my occasional trips to the International Labor Organization, about which the gentleman and my dear friend from Iowa know so much, which are financed and have been financed largely by the Department of State—

Mr. HALL. Which still comes out of taxpayer funds.

Mr. THOMPSON of New Jersey. The Department of State has sent the warm bodies of our distinguished colleague (Mr. ASHBROOK) and myself to Geneva two or three times.

But with respect to committee travel paid for by the committee, in 12 years my subcommittees have made a total of five trips, and only two in this year. We are considering, and must travel in order to get the evidence, the possibility of including the employees of certain institutions under the National Labor Rela-

tions Act. Also we had to send two lawyer investigators to California to talk with the disputants in the west coast dock strike.

The Agricultural Committee, under the chairmanship of the gentleman from Michigan (Mr. O'HARA) must undertake considerable travel in order to study its problems.

Mr. HALL. You mean the Committee on Education and Labor, has a Subcommittee on Agriculture in addition to the House standing committee and the Department?

Mr. THOMPSON of New Jersey. I believe this is a perfectly candid and open statement of anticipation of needed and increased travel.

I might say this: Since he has become the chairman of the committee the gentleman from Kentucky (Mr. PERKINS) has put extremely stringent—were I to complain, I would say too stringent—requirements on the subcommittee chairmen with respect to justifying their trips. He has extremely tight control, I can assure the gentleman.

Mr. HALL. Mr. Speaker, if the gentleman will yield finally, I appreciate the dual conflict of interest of my "warm-bodied" friend from New Jersey, and I appreciate that he has desire, and will travel. He is assigned and serves both the Committee on House Administration and Labor. I believe he chairs subcommittees of both. This being as it may, perhaps we could agree on a final issue, namely, that as in the case of the consent calendar, we should at least have a vote, since this involves over a million dollars of the taxpayers' money.

I thank the gentleman for yielding.

Mr. THOMPSON of New Jersey. Am I to understand that the gentleman from Missouri is going to want a vote on this resolution?

Mr. HALL. I hoped the gentleman would agree with me.

Mr. THOMPSON of New Jersey. I wish I could. I think the fact that I am not in agreement is not going to get me anywhere, so therefore I am not going to argue. I am sure that we will have a vote, and perhaps we should since considerable money is involved.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend from Iowa.

Mr. GROSS. I thank my friend from New Jersey for yielding.

I have listened with interest to the colloquy between the gentleman from New Jersey and the gentleman from Missouri.

I was interested in the reference to the dual role of the gentleman rather than one of a conflict of interest, and it is suggested we might throw culture into this for good measure somewhere along the line.

Mr. THOMPSON of New Jersey. We will if at all possible as my friend knows, I am known as the culture vulture.

Mr. GROSS. I thought so. I am intrigued by the specification of \$85,000 per subcommittee. Is that not rather high and more than other subcommittees in the House have to expend?

Mr. THOMPSON of New Jersey. Yes, it is.

Mr. GROSS. And that is done for the purpose of what? Why is it above other subcommittees' allowances?

Mr. THOMPSON of New Jersey. It is above other subcommittees. I might say to the gentleman from Iowa, because going back a number of years to the previous chairman of the Committee on Education and Labor, it was felt that the exercise of fiscal responsibility could better be spread out and be under the control of the subcommittee chairman rather than exclusively under the control of the chairman. Since that time the largest amount of the other requests, aside from the \$85,000 per subcommittee, is divided generously between the majority and the minority.

I see the ranking minority member here (Mr. QUIE) and I think he will testify to the fairness and to the wisdom of this procedure.

Mr. GROSS. The gentleman said that this was a sensitive committee, and I am beginning now to understand why. Certain operations that were carried on as a matter of expediency in the past have now become the customary and adopted procedure in the committee. I did not know that the subcommittee structure had been necessitated by foregoing events. Now I know, and I appreciate the gentleman's explanation. However, I still think \$85,000 per subcommittee is on the high side by comparison with other subcommittees with which I am acquainted.

Mr. THOMPSON of New Jersey. It is but on a relative basis. Were it all lumped together, it would not be.

The gentleman is aware of the early history which has been written about the former chairman of the committee whom I shall not mention by name but whom everyone knows.

Mr. GROSS. It would be just as well if you do not.

Mr. THOMPSON of New Jersey. We are very proud of the operation of the Committee on Education and Labor. We think it is very well operated.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 319, nays 78, not voting 34, as follows:

[Roll No. 58]
YEAS—319

Abbott	Annunzio	Bell
Abernethy	Arends	Bennett
Abourezk	Ashley	Bergland
Abzug	Aspin	Blaggi
Adams	Aspinall	Blester
Addabbo	Badillo	Bingham
Anderson,	Baker	Blanton
Calif.	Barrett	Boggs
Anderson, Ill.	Beigh	Boland

Bolling	Hanley	Pirnie	Collins, Tex.	Jonas	Price, Tex.
Brademas	Hanna	Poage	Colmer	Jones, N.C.	Quillen
Brasco	Hansen, Idaho	Podell	Crane	King	Rallsback
Bray	Hansen, Wash.	Poff	Dennis	Kuykendall	Rarick
Brooks	Harrington	Preyer, N.C.	Devine	Landgrebe	Robinson, Va.
Brotzman	Harsha	Price, Ill.	Duncan	Latta	Rousslet
Brown, Mich.	Harvey	Pucinski	du Pont	Lennon	Runnels
Brown, Ohio	Hastings	Quie	Edwards, Ala.	Long, La.	Ruth
Broyhill, N.C.	Hathaway	Randall	Eshleman	McCollister	Sandman
Broyhill, Va.	Hawkins	Rangel	Fish	McCulloch	Satterfield
Burke, Fla.	Hays	Rees	Flynt	McKevitt	Saylor
Burke, Mass.	Hechler, W. Va.	Reid	Frelinghuysen	Mathias, Calif.	Scherle
Burleson, Tex.	Heckler, Mass.	Reuss	Gross	Mathis, Ga.	Schmitz
Burlison, Mo.	Heinzel	Rhodes	Gubser	Michel	Schneebell
Burton	Helstoski	Riegle	Hagan	Miller, Ohio	Shoup
Byrne, Pa.	Henderson	Robison, N.Y.	Haley	Mills, Md.	Snyder
Byrnes, Wis.	Hicks, Mass.	Rodino	Hall	Minshall	Spence
Byron	Hicks, Wash.	Roe	Hébert	Montgomery	Steiger, Ariz.
Cabell	Hillis	Rogers	Hogan	Nelsen	Thompson, Ga.
Caffery	Holifield	Roncalio	Hosmer	Nichols	Whitten
Carey, N.Y.	Horton	Rooney, N.Y.	Hull	Passman	Wilson, Bob
Carney	Howard	Rooney, Pa.	Hunt	Powell	Wyman
Carter	Hungate	Rosenthal			
Casey, Tex.	Hutchinson	Rostenkowski			
Cederberg	Ichord	Roush	Alexander	Dow	Martin
Chamberlain	Jacobs	Roy	Anderson,	Dowdy	Melcher
Chappell	Jarman	Roybal	Tenn.	Downing	O'Hara
Chisholm	Johnson, Calif.	Ruppe	Andrews	Dwyer	O'Neill
Clark	Johnson, Pa.	Ryan	Ashbrook	Edwards, La.	Pryor, Ark.
Cleveland	Jones, Ala.	St. Germain	Baring	Frey	Purcell
Collins, Ill.	Jones, Tenn.	Sarbanes	Blatnik	Galifianakis	Roberts
Conable	Karh	Schwengel	Camp	Goldwater	Scheuer
Conte	Kastenmeier	Scott	Celler	Grasso	Smith, Calif.
Conyers	Kazen	Sebelius	Clausen,	McCloskey	Stubblefield
Corman	Keating	Seiberling	Don H.	McEwen	Vanik
Cotter	Kee	Shipley	Clay	Macdonald,	
Coughlin	Keith	Shriver	Davis, S.C.	Mass.	
Culver	Kemp	Sikes			
Curlin	Kluczynski	Sisk			
Daniel, Va.	Koch	Skubitz			
Daniels, N.J.	Kyl	Slack			
Danielson	Kyros	Smith, Iowa			
Davis, Ga.	Landrum	Smith, N.Y.			
Davis, Wis.	Leggett	Springer			
de la Garza	Lent	Staggers			
Delaney	Link	Stanton,			
Dellenback	Lloyd	J. William			
Dellums	Long, Md.	Stanton,			
Denholt	Lujan	James V.			
Dent	McClure	Steed			
Derwinski	McClure	Steele			
Dickinson	McCormack	Steiger, Wis.			
Diggs	McDade	Stevens			
Dingell	McDonald,	Stokes			
Donohue	Mich.	Stratton			
Dorn	McFall	Stuckey			
Drinan	McKay	Sullivan			
Dulski	McKinney	Symington			
Eckhardt	McMillan	Talcott			
Edmondson	Madden	Taylor			
Edwards, Calif.	Mahon	Teague, Calif.			
Ellberg	Mailhard	Teague, Tex.			
Erlenborn	Mallory	Terry			
Esch	Mann	Thompson, N.J.			
Evans, Colo.	Matsunaga	Thomson, Wis.			
Evins, Tenn.	Mayne	Thone			
Fascell	Mazzoli	Tiernan			
Findley	Meeds	Udall			
Fisher	Metcalfe	Ullman			
Flood	Mikva	Van Derlin			
Flowers	Miller, Calif.	Vander Jagt			
Foley	Mills, Ark.	Veysey			
Ford, Gerald R.	Minish	Vigorito			
Ford,	Mink	Waggonner			
William D.	Mitchell	Waldie			
Forsythe	Mizell	Wampler			
Fountain	Mollohan	Ware			
Fraser	Monagan	Whalen			
Frenzel	Moorhead	Whalley			
Fulton	Morgan	White			
Fuqua	Morse	Whitehurst			
Gallagher	Mosher	Widnall			
Garmatz	Moss	Wiggins			
Gaydos	Murphy, Ill.	Williams			
Gettys	Murphy, N.Y.	Wilson,			
Gialmo	Myers	Charles H.			
Gibbons	Natcher	Winn			
Gonzalez	Nedzi	Wolf			
Goodling	Nix	Wright			
Gray	Obey	Wyatt			
Green, Oreg.	O'Konski	Wylder			
Green, Pa.	Patman	Wyllie			
Griffin	Patten	Yates			
Griffiths	Pelly	Yatron			
Grover	Pepper	Young, Fla.			
Gude	Perkins	Young, Tex.			
Halpern	Pettis	Zablocki			
Hamilton	Peyser	Zion			
Hammer-	Pickle	Zwach			
schmidt	Pike				

NAYS—78

Blackburn	Buchanan
Bow	Clancy
Brinkley	Clawson, Del
Broomfield	Collier

Collins, Tex.	Jonas	Price, Tex.
Colmer	Jones, N.C.	Quillen
Crane	King	Rallsback
Dennis	Kuykendall	Rarick
Devine	Landgrebe	Robinson, Va.
Duncan	Latta	Rousslet
du Pont	Lennon	Runnels
Edwards, Ala.	Long, La.	Ruth
Eshleman	McCollister	Sandman
Fish	McCulloch	Satterfield
Flynt	McKevitt	Saylor
Frelinghuysen	Mathias, Calif.	Scherle
Gross	Mathis, Ga.	Schmitz
Gubser	Michel	Schneebell
Hagan	Miller, Ohio	Shoup
Haley	Mills, Md.	Snyder
Hall	Minshall	Spence
Hébert	Montgomery	Steiger, Ariz.
Hogan	Nelsen	Thompson, Ga.
Hosmer	Nichols	Whitten
Hull	Passman	Wilson, Bob
Hunt	Powell	Wyman

NOT VOTING—34

Alexander	Dow	Martin
Anderson,	Dowdy	Melcher
Tenn.	Downing	O'Hara
Andrews	Dwyer	O'Neill
Ashbrook	Edwards, La.	Pryor, Ark.
Baring	Frey	Purcell
Blatnik	Galifianakis	Roberts
Camp	Goldwater	Scheuer
Celler	Grasso	Smith, Calif.
Clausen,	McCloskey	Stubblefield
Don H.	McEwen	Vanik
Clay	Macdonald,	
Davis, S.C.	Mass.	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Blatnik with Mr. Andrews.
Mr. Davis of South Carolina with Mr. Camp.
Mrs. Grasso with Mr. Ashbrook.
Mr. Stubblefield with Mr. Martin.
Mr. Vanik with Mr. McEwen.
Mr. Roberts with Mr. Don H. Clausen.
Mr. O'Hara with Mrs. Dwyer.
Mr. Macdonald of Massachusetts with Mr. Goldwater.
Mr. Melcher with Mr. Frey.
Mr. Downing with Mr. McCloskey.
Mr. Anderson of Tennessee with Mr. Purcell.
Mr. Alexander with Mr. Smith of California.
Mr. Clay with Mr. Pryor of Arkansas.
Mr. Dowdy with Mr. Dow.
Mr. Scheuer with Mr. Baring.

Mr. HOSMER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE—U.S.A. AGAINST BOYLE ET AL.

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 29, 1972.

The Honorable the SPEAKER,
House of Representatives.

DEAR SIR: On this date, I have been served with a subpoena duces tecum that was issued by the United States District Court for the District of Columbia. This subpoena is in connection with the case of the United States of America v. W. A. Boyle, John Owens and James Kmetz.

The subpoena commands the Clerk of the House to appear in the said United States District Court for the District of Columbia, on the 6th day of March, 1972 at 4:00 o'clock P.M., for the purpose of testifying, bringing and explaining certain House records that are

outlined in the subpoena itself, which is attached hereto.

The rules and practices of the House of Representatives indicate that no official of the House may attend either voluntarily or in obedience to a subpoena without the consent of the House being first obtained.

The subpoena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

[In the U.S. District Court for the District of the District of Columbia]

United States of America v. W. A. Boyle, John Owens, and James Kmetz, No. 1741-71.

To Honorable Pat Jennings, Clerk United States House of Representatives, Washington, D.C.

You are hereby commanded to appear in the United States District Court for the District of the District of Columbia at 3rd and Constitution Ave., N.W., in the city of Washington, D.C., on the 6th day of March 1972 at 4 p.m. o'clock to testify in the case of United States v. Boyle, Owens and Kmetz and bring with you the documents described on the attached.

This subpoena is issued upon application of the United States.

February 8, 1972.

JAMES F. DAVEY,
Clerk.
CHARLES RUFF,
Attorney for the Plaintiff.

ATTACHMENT FOR SUBPENA TO PAT JENNINGS

Certified copies of reports filed with the Office of the Clerk of the House of Representatives in accordance with the Federal Corrupt Practice Act of 1925, as amended, by the following committees for the calendar years indicated:

Arnold Olsen Campaign Committee (Arnold Olsen Democratic Committee) (Olsen for Congress Club)—1968.

D.C. Committee for Wayne L. Hays—1968.

Democratic Congressional Campaign Committee—1967, 1968, 1969 and 1970.

Democratic Congressional Dinner Committee—1967, 1968, 1969 and 1970.

Democratic Senatorial Campaign Committee—1967, 1968, 1969, 1970.

Humphrey for President Committee—1968.

Humphrey for President Club—1968.

Re-Elect Wayne Morse Committee—1968.

Republican Congressional Campaign Committee—1967, 1968, 1969 and 1970.

Republican Leadership Dinner—1968.

Republican National Finance Committee (Republican National Committee)—1967, 1968, 1969 and 1970.

Republican Senatorial Campaign Committee—1967, 1968, 1969 and 1970.

Republican Victory Dinner—1969.

Republican Victory Gala (Republican Congressional Gala Committee)—1967.

Salute to Humphrey Dinner Committee (National Salute to Hubert H. Humphrey Dinner)—1968.

Salute to Taylor Dinner—1968.

Volunteers for Humphrey-Muskie—1968.

Mr. BOGGS. Mr. Speaker, I offer a privileged Resolution (H. Res. 854) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 854

Whereas in the case of the United States of America against W. A. Boyle, John Owens, and James Kmetz (criminal action numbered 1741-71) pending in the United States District Court for the District of Columbia, a subpoena duces tecum was issued by the said Court and addressed to W. Pat Jennings, Clerk of the House of Representatives, directing him to appear as a witness before

the said court at 4:00 postmeridian on the 6th day of March, 1972, and to bring with him certain documents in the possession and under the control of the House of Representatives: Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That W. Pat Jennings, Clerk of the House, be authorized to appear at the place and before the court in the subpoena duces tecum beforementioned, with certified copies of the documents mentioned in the said subpoena, but shall not take with him the documents on file in his office or under his control or in possession of the House of Representatives; and be it further

Resolved, That as a respectful answer to the subpoena duces tecum a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REGULATION OF INTERNATIONAL AIR FARES

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 851 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 851

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11416) to amend the Federal Aviation Act of 1958 to provide for the regulation of rates and practices of air carriers and foreign air carriers in foreign air transportation, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 11416, it shall be in order in the House to take from the Speaker's table the bill S. 2423 and to move

to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 11416 as passed by the House.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee, and pending that I yield myself such time as I may consume.

Mr. Speaker, I know of absolutely no controversy over this rule and urge its adoption.

Mr. Speaker, I therefore reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Missouri has stated, there is no controversy about which I know on this bill.

The rule, House Resolution 851, provides for a 1 hour open rule, making it in order to consider the committee substitute as an original bill for the purpose of amendment. In addition the rule makes it in order to strike out all after the enacting clause of the Senate bill, S. 2423, and insert the House-passed language.

The purpose of H.R. 11416 is to vest the Civil Aeronautics Board—CAB—with specific authority to suspend or reject tariffs on international air transportation to and from the United States. This new authority would be a discretionary power for the Board and, when exercised, would be subject to disapproval by the President. This bill would allow the continuation of the present mechanisms for establishing international air transportation fares through the International Air Transportation Association—IATA. Under this bill the CAB would be able to suspend and reject rates, fares and practices which are either too high or too low from the standpoint of carrier economic viability.

The motivating factor behind this bill was a recent situation concerning travel over the North Atlantic where Lufthansa held out for a lower fare, against the other members of the IATA. IATA and Lufthansa have since agreed on a 1972 North Atlantic fare structure, but this bill is designed to help prevent a similar situation in the future.

This bill is strictly limited in its scope. It allows the CAB to suspend and reject tariffs, but not to specifically prescribe fixed rates, fares and practices.

The report of the Committee on Interstate and Foreign Commerce indicates that there will be no additional cost to the U.S. Government as a result of this legislation.

The committee report includes letters from the Department of Transportation, the Department of State and the Office of Management and Budget, none of which oppose the provisions of this bill.

There are no minority views.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the

Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11416) to amend the Federal Aviation Act of 1958 to provide for the regulation of rates and practices of air carriers and foreign air carriers in foreign air transportation, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11416, with Mr. ICHORD in the chair.

The Clerk read the title of the bill. By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. SPRINGER), will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 11416 is a rather simple bill and its enactment is long overdue. It would do the following:

First, impose on domestic and foreign air carriers, which are engaged in international air transportation to and from the United States, the duty to establish, observe, and enforce just and reasonable rates, fares, and practices.

Second, it would vest in the Civil Aeronautics Board the authority to suspend for a period of up to 1 year and reject or cancel new or existing tariffs for foreign air transportation to or from the United States. This would be done with regard to tariffs which it finds to be unjust, unreasonable, unjustly discriminatory, unduly preferential, or unduly prejudicial.

Third, Mr. Chairman, the bill would permit the CAB to deal with situations where a foreign government refuses to permit a U.S. carrier flying into that country to observe tariffs properly filed with the Board. In such a situation the CAB would suspend the tariff of any foreign air carrier providing service between the United States and that country and require any such carrier to observe tariffs filed with the Board by a U.S. air carrier as a condition to providing air service between that country and the United States.

Mr. Chairman, I want to emphasize for my colleagues that every action of the Board in suspending, rejecting, or canceling a rate, fare, or charge under the legislation would be subject to review by the President. The President could disapprove any such action for reasons of the national defense or foreign policy of the United States.

Under existing law, Mr. Chairman, air carriers providing interstate and overseas air transportation are required to establish just and reasonable rates. The Board has the power, under certain circumstances to prescribe the rates and practices for interstate air transporta-

tion, prescribe maximum or minimum, or maximum and minimum rates for domestic overseas air transportation, and suspend the operation of new tariffs for interstate or domestic overseas air transportation, and suspend the operation of new tariffs for interstate or domestic overseas air transportation pending determination of the lawfulness of such tariffs.

The Board has no such authority with respect to rates and practices in foreign air transportation, although such authority is possessed and exercised by almost every foreign country into which U.S.-flag carriers fly. The only power which the Board now has, except for its power to disapprove agreement among U.S. carriers and foreign air carriers fixing rates and practices in foreign air transportation, is to remove discrimination in foreign rate structures. It has no authority to prevent a carrier, including a U.S. carrier, in foreign air transportation from placing in effect any rate, fare, or practice even though such rate, fare, or practice may be unjust or unreasonable.

Rates, fares, and practices in foreign air transportation are currently established by the International Air Transport Association—IATA—which is an organization of international air carriers. The rates are recommended by the members of IATA and are approved or disapproved by IATA at periodic rate conferences. Approval must be unanimous; any member carrier may veto the proposed rate structure. The rates established through these conferences must be approved by the government of the foreign countries represented by the carriers. The Board, under section 412 of the Federal Aviation Act of 1958, must approve or disapprove the rates established by IATA. Because of the lack of any direct authority over international rates, however, the Board's indirect power under this section has been ineffective and has resulted in the rubberstamping by the Board of IATA rate agreements.

In the past, efforts by the United States to improve its position in meeting foreign air transportation competition have been hampered and restricted by the limited authority of the Board over the rates and practices in foreign air transportation. Foreign countries have recognized this lack of authority and the bargaining power of the United States has been weakened. The consequence has been that the Board has been unable to protect U.S. carriers in rate negotiations from the almost complete domination and control of the foreign countries into which they fly. Nor has the Board been able to protect the U.S. traveling public from the unjust and unreasonably high rates which are prevalent in many markets in foreign air transportation. When a foreign carrier casts its vote at an IATA rate conference, it is in effect casting its government's vote and can depend upon the full assistance and authority of its government in seeing to it that its vote will prevail.

Mr. Chairman, H.R. 11416 will give the U.S. Government, U.S. carriers, and travelers and shippers more equal footing with foreign governments and for-

eign air carriers. In addition, it will give the Board more authority to implement more rational and equitable rates and fares in foreign air transportation.

Mr. Chairman, some Members have expressed concern that this legislation might adversely affect international charter flights. I would like to assure them that it will not. In fact, Mr. Chairman, it will protect charter operators by arming the Board to suspend and reject or cancel any predatory rates designed to drive them out of business.

Mr. Chairman, as I said at the outset, enactment of this legislation is long overdue. It was reported out of our Subcommittee on Transportation and Aeronautics and out of the full committee unanimously. It is supported by the Administration. I urge my colleagues in the House to pass the bill unanimously.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I would ask the gentleman if there is consumer opposition to this bill?

Mr. STAGGERS. There is certainly none that I am aware of.

Mr. YATES. It is my understanding that there were commercial groups that wanted to testify before the committee. Perhaps my information is wrong. I was told that they wanted to testify but were not permitted to.

I can see why consumer groups would want to testify on this because what is sought to be done by this bill is to make sure that rates are not lower than the carrier can afford to charge. Is that right?

Mr. STAGGERS. I will state to the gentleman from Illinois that this has nothing to do with supplementals or charters at all.

Mr. YATES. I do not mean that. I am talking about trunkline carriers, regular common carriers like Lufthansa, that cuts their rates.

There is, as I understand it now, an agreement in IATA that really does away with the need for this bill.

Mr. STAGGERS. That is partially true, but let me state to the gentleman from Illinois that the only reason it was agreed to was because we were having hearings on this legislation, and the Senate was holding hearings on similar legislation over there. If this had not been going on there probably would have been no IATA agreement whatsoever.

Mr. SPRINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, concern with international fares and the system by which they are determined has nagged the Government of the United States for at least a decade. For a long time the American international carriers on the North Atlantic run had been making determined efforts to lower fares and found it impossible to accomplish because of decisions of the other members of the international organization which set them. This organization, known as the International Air Transport Association, consists of all of the carriers engaged in transoceanic flights. Rates are set by agreement.

Agreements are sometimes difficult to get. It will be noted that what we are talking about are fares, not routes. International air routes are an entirely different matter which must be worked out by the diplomatic process. They rest in country-to-country agreements. They also pose problems, but not the ones with which we are concerned here today.

To provide a bit more history, about 10 years ago our transatlantic carriers became fed up with the IATA insistence upon unrealistically high fares and threatened to reduce them despite IATA. Great Britain threatened to bar our planes from her airports if they did so and a mighty donnybrook ensued, with threats and counterthreats. At that time the U.S. Government came to Congress and recommended changes in the authority of the Civil Aeronautics Board. It was well recognized that a regulatory agency of any one country could not alone decide what international air fares should be. But it was also recognized that without some authority to at least bar the use of unreasonable rates on flights touching our shores, there was little leverage by which our Government could influence the fares at all. Because the flap went away, nothing was done.

In the last few months we have experienced the reverse of the earlier dispute. One foreign airline resisted IATA pressure and went whole hog in the opposite direction, announcing transatlantic fares that no airline could long live with. The loss leader principle was being used to squeeze out all possible competition. Airlines owned entirely, or in part by governments—such as Lufthansa or KLM—could survive indefinitely while private airlines, even though basically far more efficient could not.

Again our Government found itself helpless to influence the problem. Again the Congress was asked to consider legislation which would give CAB some authority in this area. That legislation is before us today. It has passed the other body and is presented to you in exactly the form in which that body approved it. By its provisions the Civil Aeronautics Board may reject or suspend international fares which are clearly out of reason whether imposed by agreement among the IATA members or used by a single carrier in disagreement or defiance of IATA rates. Because all of these matters have diplomatic overtones which cannot be entirely ignored, the President of the United States may disapprove of the CAB action.

Several things should be understood about the authority granted to CAB under this bill. It does not make it possible for CAB to dictate international rates. It applies only to obviously unreasonable rates. The kind of authority given to CAB is just about the same kind of authority given to some agency in each of the other governments operating transatlantic airlines in order to give them some leverage with IATA and the fares that organization agrees upon from time to time.

The Lufthansa argument has been resolved. Again the immediate need for this additional authority has faded. We should not wait still another time until it is too late to take corrective action.

International air travel presents a very complicated tangle of problems. Transatlantic fares is but one. Because we are dealing with governments as well as carriers there can be no simplistic answers to any of them. The Committee on Interstate and Foreign Commerce is keenly aware that other sticky problems are either before us or shortly to be here. We cannot solve them here and now. We don't have the necessary knowledge. In some cases the issues have not been refined. It is more than just likely that we will be back with recommendations for action on some of these other disputes. Meanwhile I strongly recommend that the House approve and pass H.R. 11416.

May I say to my distinguished colleague, the gentleman from Iowa, that no more money of any kind is involved.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. GROSS. Well, I appreciate that statement and I thank the gentleman from the bottom of my heart that that is the case.

Does the gentleman think this will help the deficit in the international balance of payments?

Mr. SPRINGER. I do not believe this would reflect on the international balance of payments to amount to anything.

Mr. Chairman, I do not believe the issues involved would have very much to do with it.

Now let me say this—of course, if you did as Lufthansa does, which pays approximately half or one-third as much to its crews as we do to set an unusually low rate which would be noncompetitive economically for our international air transport companies like Pan Am and TWA to operate—then, of course, it would be possible for them to reject that rate.

But I do not believe this would have very much to do with the question of balance of payments.

Mr. KUYKENDALL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. KUYKENDALL. Mr. Chairman, I would like to ask the gentleman a couple of questions.

First, is it not true that most of the world's airlines with which we compete, particularly Lufthansa are either wholly or partially owned by the Government itself?

Mr. SPRINGER. Yes, and those that are not owned are, we will say, partially owned and are in some ways indirectly or directly subsidized as part of the Government operation—yes.

Mr. KUYKENDALL. Is it not your impression that the IATA agreement itself came about because of the likelihood of pressures brought about by the possible passage of this bill?

Mr. SPRINGER. Do you mean the recent actions?

Mr. KUYKENDALL. That is correct.

Mr. SPRINGER. Yes, I believe it is.

Mr. KUYKENDALL. Is it not true that the IATA agreement is only limited to 2 years?

Mr. SPRINGER. Yes.

Mr. KUYKENDALL. If we pass this legislation, then that particular progressive act is likely to continue, but if we do not pass it, it would be under question?

Mr. SPRINGER. I think that is a correct statement.

Mr. KUYKENDALL. I thank the gentleman.

Mr. SPRINGER. Mr. Chairman, I have no further requests for time.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may require to the chairman of the subcommittee, the gentleman from Oklahoma (Mr. JARMAN).

Mr. JARMAN. Mr. Chairman, this bill was passed unanimously by the Transportation Subcommittee and by the Interstate and Foreign Commerce Committee. It vests in the CAB specific authority to suspend or reject tariffs in international air transportation to and from the United States. Through this legislation the CAB will have authority more comparable to that presently held by other nations over international air fares.

Mr. Chairman, the objective of the air transportation policy of the United States is to provide a system of reasonable rates and practices. This bill will aid in achieving that objective.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may require to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, air transportation as we know it today, is in danger of going out the window. All knowledgeable authorities in the field agree that we are on the verge of a great revolution in air transportation.

The widespread violations of its regulations which the Civil Aeronautics Board has permitted to go unchecked, has created an atmosphere which seems to make everyone believe that the only air travel that counts is charter movements in vacation travel. What most people do not realize is the impact of the unchecked development of such charter movements on the maintenance of a scheduled air transport network with a minimum of inconvenience to anyone who wishes to travel to any point in the United States.

I agree that charters are here and their use will continue to grow, but I think it is time that Congress took a hard look at the impact their growth will have on our scheduled airline network. The current issue of Business Week has a most thoughtful and penetrating article on this subject, which covers both sides of the issue in depth. I would like to share with my colleagues the first paragraph of that article which summarizes the essence of the issue:

A revolution is coming to air travel in the U.S., not this year but very likely within five years. What is coming is bulk air transportation: full plane loads of vacationers by the millions, flying at rock-bottom prices on charter flights. What is in serious danger of going is reliable scheduled air service to small traffic points as well as big ones, and in slow seasons as well as peak periods.

I ask that the entire article be inserted in the RECORD at the conclusion of my remarks.

It is time that Congress takes a hard look at both sides of this question before we let the Civil Aeronautics Board run

rampant with further violations of the law and complete failure to enforce its own regulations.

SPECIAL REPORT: THE AIRLINES MOVE TOWARD MASS TRAVEL

This Saturday afternoon, a big stretched DC-8 jet is scheduled to settle down at Boston's Logan International Airport after a nonstop flight from Munich with 250 happy—and, it is hoped, healthy—skiers. The jet belongs to a relatively unknown airline, Overseas National Airways, and the passengers belong to their charter parties from nearby communities: the Marblehead-Swampscott YMCA, St. John's Preparatory School of Danvers, and Gloucester High School.

For eight days they have been skiing near Innsbruck. They paid \$152 apiece to get there and back. By contrast, they would have paid Lufthansa, the German airline, \$278 round trip for a seven-day excursion from Boston to Munich, including a mandatory \$70 for ground expenses. The basic economy fare from Boston to Munich is \$267 one way. For these groups of New Englanders, who could drive to ski slopes in their own area in about four hours, the lure of the Alps and of the low air fare was irresistible.

A revolution is coming to air travel in the U.S., not this year but very likely within five years. What is coming is bulk air transportation: full plane loads of vacationers by the millions, flying at rock-bottom prices on charter flights. What is in serious danger of going is reliable scheduled air service to small traffic points as well as big ones, and in slow seasons as well as peak periods.

"The airline industry is facing one of the great watersheds of its career," says Willis Player, vice-president of Pan American World Airways and one of the most respected thinkers in the industry. "The wave of the future is full planes and low-cost transportation. It's coming because that's what most people now want. They want it, and they deserve it."

Yet there is incessant squabbling between the airlines that fly scheduled services on set routes and the far smaller supplemental lines that fly charter parties when and where they want to go at a lower cost per passenger. The antagonists are in full agreement on only one point: There is a huge market "out there" waiting to be tapped by the right pricing and packaging. The argument is over how to tap it and whether the charter approach spells disaster for the U.S. scheduled airline industry, generally conceded to be the world's most efficient, reliable, and economical over-all air transport system.

Perhaps the ultimate sign that the supplementals have "arrived" is the fact that conservative old American Express Co. will use charters this summer for the first time. It has contracted with World Airways, the largest of the U.S. supplementals, to fly 200 tour groups in 38 flights from Los Angeles to Europe.

The supplementals make money on lower fares because they almost always go full and they pack more seats into their planes than the scheduled carriers do. A well-run supplemental keeps its empty ferry flights to a minimum, books business so as to avoid peaks and valleys, and has at least 80% of its summer capacity reserved by the preceding January. Also, these lines have nothing like the overhead of the scheduled carriers, no fancy ticket offices on high-rent shopping streets. Their passengers come in groups, which are easy to handle, that are put together far in advance by club secretaries, college offices, or travel agents.

Eleven supplemental airlines are certificated in the U.S., but only the six biggest make wide use of domestic and international rights to operate charter flights. The six—Capitol International, Overseas National, Saturn, Trans International, Universal, and World—had combined revenues of about \$334-million last year.

These six leaders have come a long way from the spartan and rickety operations of the nearly nonscheduled airlines. The fleets of all six include stretched DC-8s, and World also has eight 707s. Trans International and Overseas have long-range, wide-bodied DC-10s on order for next year, and Universal will soon be flying a giant 747 with as many as 500 seats that was ordered by the scheduled carrier Braniff but never delivered.

Though the charter planes are justifiably known for a minimum amount of legroom, the cabin service and food no longer are third-class. Many passengers, in fact, find the service warmer and more personal than that provided by the scheduled airlines. And not every plane has maximum-density seating. Trans International has one stretched DC-8 set up as all first class, with two-and-two seating, to handle the growing volume of luxury sales-incentive charter flights. A group of United Delco auto parts wholesalers was the first to use this cabin arrangement last November on a flight to the South Pacific.

The coming of the air revolution tends to be obscured by the dust of the battle between the supplemental and scheduled carriers. Each can marshal persuasive arguments to justify its existence and its need to be protected from the other. The war centers on the North Atlantic.

Stuart G. Tipton, president of the Air Transport Assn., which includes the 11 domestic trunk carriers and Pan Am, speaks for the scheduled airlines' lobby. His position is predictable: "It is clear that the U.S. cannot have things both ways. The public cannot have an economically sound, regulated air transport system, operating dependable scheduled services nationwide and throughout the world at reasonable prices, and at the same time have a supplemental airline industry overflying the regular system and operating when and where it pleases, with 'charter' services which are so loosely controlled as to permit diversion from the weakening of the route-obligated scheduled carriers."

Tipton believes in the concept of "internal cross subsidization," in which the profits from large-volume traffic pay the cost of maintaining service to all route points. "Traffic carried over the North Atlantic by Pan Am and Trans World Airlines in the peak season," he says, "supports not only their North Atlantic routes in other seasons but their total international system as well. Such a balancing is simply essential if a scheduled system is to work. And the very concept of a scheduled system is endangered if traffic is diverted from the heavy traffic routes." Tipton characterizes the supplementals' service on the North Atlantic as "nothing but a hit-and-run wholesale tapping of rich, established markets at times of peak demand."

For the supplementals, the cudgels are wielded by Edward J. Driscoll, president of the National Air Carrier Assn., the supplementals' lobby. His creed: People are entitled to air transportation at the lowest possible price. "What we need," he says, "is what I call a balanced system of air transportation." But his notion of "balanced" differs from Tipton's. To Driscoll, "a balanced system is one that meets the needs of the entire public—the business traveler and the vacation traveler, the person who wants the convenience and flexibility of individual travel and the person who wants the economic advantages of group travel."

Driscoll hotly denies that the supplementals have skimmed the cream from the scheduled carriers' traffic. "The supplementals have developed a new market," he says. "It is also significant that scheduled traffic has grown faster than average in precisely those markets in which the supplementals have scored their greatest penetration." He cites gains in Pan Am's and TWA's traffic to London of 12% between 1967 and 1968, 17% between 1968 and 1969,

and 27% between 1969 and 1970. Paris and Rome, where the supplementals operate many flights, showed similar gains, but Frankfurt, not so extensively served by the supplementals, showed a decline.

Rebutting the claim that the supplementals are stealing the scheduled airlines' passengers, Chairman G. F. Steedman Hinckley of Overseas National Airways says: "We once had a leading Washington firm of economists conduct a survey, in flight and by mail, of nearly 4,000 charter passengers. Of these, 74% said they would not have paid the scheduled-service fare if charter service had not been available. The route carriers will have to look for a scapegoat other than the supplementals, to explain their problems, because the diversion argument is absurd."

"Supplementals are supposed to supplement, not supplant," counters Pan Am Chairman Najeeb E. Halaby. In 1970, Halaby says, the nonscheduled "diverted over \$50-million of revenue from Pan Am and TWA and were the direct cause of a combined loss, rather than a profit, in the Pan Am-TWA Atlantic area operations."

More freedom for supplementals would give the public "super bargains instead of just substantial bargains," adds Charles C. Tillinghast, Jr., TWA's chairman. "But the public would pay a heavy price in the long run in the destruction of a dependable scheduled international air transport system."

"The airline industry exists for the benefit of the public, not vice versa," Hinckley fires back. "And to argue that the public should not be able to get on a charter plane easily is to say that the public exists for the benefit of the airlines."

THE CROSS FIRE OF ARGUMENTS

The war over the North Atlantic epitomizes the clash of interests between the two groups. The scheduled carriers pioneered the routes, built up traffic to the popular cities, and believe they now have the right to draw profits from these routes to build traffic to other points. The law ought to protect Pan Am and TWA better than it does, they insist. And if enforcement of restraints on the charter operators is not strengthened, they will have no choice but to abandon the money-losing routes and fight the supplementals on their own terms, probably putting the supplementals out of business. "It is a myth that Uncle Sam owes the supplementals a living," says Halaby.

With equal fervor, the supplementals believe that they pioneered a new market among people who could not otherwise afford to fly, that this was a market that the route carriers were too blind or stupid to see, and that the supplementals should be protected if the fight gets any rougher. "You could argue that the route carriers should never have let us come into existence," says Hinckley. "But they did, and here we are by Congressional authorization. It's too late to get rid of us legally now."

Edward J. Daly, chairman of World Airways (1971 revenues of about \$77.5-million, in contrast to Pan Am's \$1.2-billion), sees one possible way out of the clash: changing the law to allow mergers between supplemental and scheduled carriers. "We haven't talked merger to anyone," he says, "but benefits would accrue to both parties with that kind of arrangement." Daly is unique in the industry. He owns 80% of World's stock, now worth roughly \$76-million, and he would not disappear in a merger with a larger scheduled airline. He could probably buy control of either Pan Am or TWA if the law were changed.

The only other supplemental with enough muscle to survive a real brawl probably is Trans International, No. 2 in revenues with about \$70-million last year. Its founder, Kirk Kerkorian, sold it in 1968 to Transamerica Corp., the huge conglomerate. Revenues at Overseas National last year were \$63.9-mil-

lion, at Universal \$51.5-million, at Capitol \$40-million, and at Saturn \$31-million.

As Hinckley says, the supplementals exist by Congressional authorization. Congress, the Civil Aeronautics Board, and even President Nixon have reiterated the desirability of maintaining a two-tier air transport industry—both scheduled and supplemental airlines.

TEACHING PEOPLE TO BREAK THE LAW

Federal law specifically authorizes the CAB to grant supplementals certificates of convenience and necessity putting them under the board's protection and regulation. It also authorizes the supplementals to perform three basic kinds of charter service. In addition, the law specifically forbids the supplementals from selling individual tickets directly to the public. And it specifically permits the scheduled airlines, which do sell individual tickets to the public, to engage in charter operations. Thus, the deck is somewhat stacked in favor of the scheduled carriers if they chose to take advantage of their charter privileges, as they are showing increasing signs of wanting to do.

As manfully as the government has tried to make the two-tier system work, most recently by inventing the complicated nonaffinity charter rule, there are signs that it is too unstable to work.

The rules designed to keep individuals from taking advantage of low group rates are impossible to enforce. There are not enough "policemen" at the CAB to do the job, and there probably never will be. The situation is not unlike Prohibition, which taught a generation to consider it fun to break the law. With enforcement impossible, there is no carrier on the North Atlantic, scheduled or supplemental, that does not regularly fly ineligible passengers unwittingly.

Moreover, everything the scheduled carriers do to combat the supplementals on the North Atlantic—the youth fares, 21-day excursions, and all the other discounts—plays into the hands of the supplementals' argument that what the public really wants is cheap transportation available to as wide a group as possible.

The crazy quilt of scheduled airline fares is unlikely to last long. It came within an eyelash of disintegrating last year when Germany's Lufthansa nearly succeeded in breaking away with simple low-cost fares.

As George S. Gordon, vice-president of the Foote, Cone & Belding ad agency and former marketing vice-president of Eastern Air Lines, wrote in the January issue of *Airline Management*: "The present confusing array of fares has arisen out of the desire to preserve full fares from business travel while seeking incremental nonbusiness traffic by offering promotional discounts. No matter how you examine today's fare structure, it makes little sense administratively, economically, or in the minds of travel agents and travelers."

Gordon also refers to the scheduled airlines' surplus of capacity: "It is a crisis that arises out of having everything ready for mass marketing, including the capacity of jumbo jets, but being forced to sell in accordance with outdated policies and regulations that make it impossible to capitalize fully on the opportunity."

The advent of the jumbos has made it increasingly hard for scheduled airlines to stick to their cross-subsidization and route-balancing policies. With all those seats to sell, it is awfully tempting to dispose of them at bulk rates. Nevertheless, Pan Am is sticking to its guns despite its continuing losses.

Pan Am has more Boeing 747s than any other airline in the world, along with a very large fleet of Boeing 707s. With all this capacity, however, it has chosen not to go after the bulk transportation market but to start selling its 707s. Halaby may feel bitter toward the supplementals, yet those carriers are the prime buyers of secondhand jets. So that is where many of Pan Am's 707s have gone,

especially to British charter operators. Two of the aircraft have gone to Donaldson International Airways, two to British Midland Airways, two to Lloyd International, and one to Danair Services. As a final irony, Pan Am has to cut its own throat further by training the British crews for these planes under the sales agreement that Pan Am negotiated with the British carriers.

The European supplementals are an exceedingly important part of the charter airline industry; indeed, they are the precursors of the revolution. Charter operators are free to set their own prices. Whereas the scheduled carriers try to set international fares every two years, the charter carriers need only file a new tariff 30 days in advance. With lower labor costs, the Europeans can withstand more price cutting than the U.S. supplementals. So the unrestricted pricing of bulk transportation could shoot down U.S. aviation just as it scuttled the U.S. merchant marine.

More immediately, though, the European supplementals are a key factor in today's ground swell toward full-plane, low-cost air transportation. They are the carriers that are believed to deal the most with the "New York consolidators," trip organizers in and around New York who put together tour packages and contract with airlines to provide the planes for affinity groups.

The New York consolidators are a special kind of entrepreneur. Retail ticket sellers in the city generate business by offering a flight to, say, London for \$85, advertising in specialized newspapers and the underground press and through handbills pasted on lamp posts and mail boxes. They collect the money, provide predated membership cards in an association, and eventually issue tickets when they know what airline will do the flying. The consolidator may also do some retail business, in which case he gets a double rake-off, but his main function is to bundle the people collected by the retailers. He collects them into payload lots, all having membership cards in the same association. He knows from experience how many passengers each retailer will produce at any given season, and he contracts accordingly with a supplemental airline.

THE CONSOLIDATORS AT WORK

How ludicrous the charter rules can be for a passenger was experienced last summer by a friend of a *Business Week* editor. Answering an ad in the *Village Voice*, in New York, she got a round-trip ticket to Europe and a predated affidavit that she was a member of the Eastern Ski Club. The flight was delayed 24 hours, though, and the next day she had to become a "longstanding" member of the Friends for Instant Environmental Growth Action.

When she checked in for the return flight, she joined Holiday & Leisure International. But this flight was delayed four days, and she was informed that her affinity group had changed, this time to the Lumsden Soccer Club. A soccer team has 11 men; she flew to the U.S. that day with 179 other "members." In spite of all the delays the low price of \$170 for the round trip made her vacation worthwhile and, in fact, possible.

New York has no monopoly on doing business with consolidators, but its name is attached to it because consolidation is so prevalent there. Actually, one of the first efforts to block the practice was in Los Angeles, where a consolidator named Rita Bopp had been operating Associated Cultural Clubs, Inc. She was shut down by an injunction that is being appealed.

Last September the CAB began proceedings against seven interrelated organizations and 11 individuals to destroy what Robert Davis of *Travel Weekly* called "the funnel through which it alleged thousands of passengers have been consolidated into illegal transatlantic charters in recent years." The defense has succeeded in bringing 10 airlines into the case, which is expected to drag on

interminably. Meanwhile, as long as consolidation has not been proved illegal in court, the charter carriers that deal with consolidators are making hay.

It is so easy to go abroad as an individual today that an increasing number of people are not bothering with affinity groups, particularly on college campuses where university-sponsored travel clubs are dying out. But the rules are still there, and even if only one out of 180 passengers on a charter flight is found to be not a bona fide member of a legitimate group the flight can be canceled, ruining everybody's vacation plans.

THE BRITISH PIONEERED THE WAY

Freddie Laker, owner of 90% of Lakers Airways, Ltd., the second-largest British supplemental on the North Atlantic, insists the abuse of illegal chartering is exaggerated and not half what it is thought to be. Lakers is one of the most highly regarded and articulate figures in British independent air service, so he speaks for his industry when he charges that the U.S. supplementals are doing just what they accuse the British lines of doing: carrying illegal groups across the North Atlantic.

Three-million people fly annually between the U.S. and Europe on charter flights, he says. "You're not going to drive 3-million people out of the air, even if they are illegal."

They're a market; they're no longer a minority."

Laker makes another point that cannot be ignored: If people are prepared to perjure themselves to get cheap air transportation, "it can only be that people feel the rules are unreasonable." Laker dislikes making his passengers swear out affidavits. "I think this is all wrong," he says. "It is a despicable way to treat the traveling public. When one has got to this stage of the game, I would have thought it was time the governments changed the rules. These passengers are taxpayers, and as taxpayers they have a right to be heard. Perhaps this is their way of being heard."

Nevertheless, the British government is tightening up on the charter business. A new Civil Aviation Authority will take over the old Air Transport Licensing Board's functions this spring, including the licensing of travel organizers. Until now no license has been required. Meanwhile, the ATLB has attached a new condition to the 1972 charter licenses: Airlines must give particulars three months in advance about groups that they propose to carry more than 2,250 mi. If the ATLB then has doubts about any group, it will ask the airline to make a one-shot license application "so that any such case may be fully examined." This new rule affects flights after Mar. 15 and already three charter groups have been questioned. The British are also increasing the number of investigating officers who conduct spot checks.

Britain, anxious to protect its state-owned airlines, British Overseas and British European, has long applied stringent rules restricting the freedom of independent airlines to carry individually ticketed passengers. Instead of killing the independents in the early postwar years, however, these rules stimulated them into more creative marketing. The greatest invention of all was the inclusive tour charter. This plan combines air and ground transportation, hotel, and meals in one low price. In the beginning, it also included the all-important services of a guide, because the package was aimed at a class to which foreign travel was a strange and frightening experience.

One-stop ITCs, as they are known in the travel business, are not permitted in the U.S. for either international or domestic supplemental airlines, though they are allowed for scheduled carriers. A supplemental airline wishing to put together a domestic inclusive package must provide three stops at least 50 mi. apart. But one-stop ITCs, which are essentially a round trip by air with the ground arrangements thrown in, are permitted throughout Europe, and business has soared.

The market is so vast and the income generated by tourism is so important that European governments and their scheduled carriers could not stop the trend if they wanted to. Most European scheduled airlines now have their own subsidiaries in the ITC business.

Possibly the best study of the European charter-airline situation was made by McDonnell Douglas Corp. Among its major conclusions: European charter lines "have been able to offer the general public a scale of passenger tariffs far below those of scheduled airlines and . . . have reached into the pockets of a whole new stratum of wage earners. Each new lower stratum penetrated is measurably larger than its predecessor."

"The average industrial wage earner in northern Europe can now pay for a week's holiday in Spain out of one week's earnings. This kind of situation has changed the social habits of nations, and the inclusive tour holiday for the family in the Mediterranean is now considered no more of a luxury than owning a television set."

This could be a valuable lesson for the U.S. airline industry, with its upcoming hundreds of wide-bodied jets. Bulk transportation is, after all, a proven way for the airlines to gain a greater share of the leisure dollar. The McDonnell Douglas study in fact, predicts that, within Europe, nonscheduled traffic will overtake scheduled international traffic around 1974 and will be 30% greater by 1980.

All the emphasis on low-cost transportation packaged by travel agents is bad for the northern European businessman, however, who has business at a Mediterranean resort city, cannot stay a week, and does not want to stay at a hotel that is part of the package. Often, in the words of the old joke, "You can't get there from here." Such a traveler must make reservations weeks in advance for what little scheduled service there is, and he often cannot go when he wants. Furthermore, intra-European fares on scheduled airlines cost about twice as much per mile as those of scheduled airlines in most of the U.S.

Europe's experience will inevitably be duplicated in the U.S. unless airline officials and regulators find a way to retain the best of scheduled service along with the advantages of bulk transportation packaged by travel agents. There are no easy answers to that problem; every solution seems to have an offsetting drawback.

Federal subsidies may become necessary for some domestic and international scheduled flights, putting the burden on all taxpayers rather than on airline users. It may be necessary to charge more for prime-time departures and for reserving a seat at the last minute.

One idea that might make a reasonable start on the problem might be two economy sections on long flights. One cabin would be held back for individual passengers who would pay extra for the privilege of schedule reliability and the ability to make late reservations. The second cabin would be contracted out to wholesale travel agents and tour operators, and it would be up to them to take the risk of seeing that the seats were filled. This scheme could relieve the airlines of a lot of their sales overhead. And if the contract was correctly priced, it could make such flights profitable enough to continue the internal cross-subsidization concept.

RECRUITS FOR THE REVOLUTION

"A solution like this could be the salvation of Pan Am, with its huge fleet of 747s, once it starts to join the wave of the future instead of fighting it," says a former Pan Am officer. Lockheed Aircraft Corp. is counting on the spread of bulk transportation to create such a need for wide-bodied airplanes that its TriStar program will be profitable though it received a blow when Laker decided to buy two DC-10s recently. If the aerospace industry is to be revitalized, such a trend is in-

evitable. In fact, the CAB has all but told the scheduled carriers to stop fighting bulk transportation and start figuring how to make it work.

Says Charles F. Butler, director of the CAB's Bureau of Internal Affairs: "The scheduled carriers have a role in the movement of the bulk transportation market. In my opinion they have not attempted to provide for the movement of this type of traffic on scheduled services except in a small way. The scheduled carriers must assume their responsibility in the bulk transportation market by developing a fare structure and marketing techniques to serve this market. To do this, the scheduled carriers must completely rethink their role in providing transportation and realize that there is a low-cost market to be served."

In Europe, low-cost bulk transportation is obviously a success and an important new social force. The Aviation and Tourism Ministry of the Spanish government is sponsoring a congress April 17 through 20 on the impact of mass air travel for both scheduled and supplemental airlines that could be a donnybrook. Just as obviously, it is coming fast on the North Atlantic, because of the operations of the supplemental carriers and the fact that millions of people prefer it, even if it means breaking the law. The scheduled carriers prove the point every time they invent a new special discount. With transatlantic charter fares so low—according to TWA's Tillinghast, 35% below the cost of a New York-Los Angeles bus ticket—the U.S. domestic airline and travel industry can do nothing but join the revolution.

SNEAKING AROUND THE RULES ON CHARTER FLIGHTS

Charter air packages come in a bewildering variety, but they boil down to three major types:

Single-entity or planeload charters in which an organization, such as a football team, charters an entire plane for a specific flight.

Inclusive tour charters, formerly called "all expense paid" charters. Travel agents contract for the space and then sell complete package tours to individuals. The individual becomes a member of a group rounded up by the agent, not necessarily with any relationship to other members of the group. To keep the ITC business from encroaching on scheduled services, the CAB has set up rules that make the charter trips flown by supplemental airlines less flexible than regular flights. The passenger must go for at least seven days and, on international flights, the plane must make at least one intermediate stop for overnight; on domestic ITCs, it must make three stops. The package price must be at least 10% higher than the lowest fare offered by the scheduled airlines to the destination in question.

Affinity charters, by far the biggest piece of the business, accounting for more than 77% of the transatlantic charter market. Passengers must have been bona fide members, for at least six months, of a group established for purposes other than buying wholesale transportation for its members.

The affinity charter rules, which are impossible to enforce, have spawned a whole new segment of the travel industry—group consolidators who are here today, gone tomorrow. These people advertise bargain-basement rates generally in such moderately anti-establishment publications as New York's *Village Voice* or *Boston After Dark*, but occasionally also in the super-establishment *New York Times*. Ticket buyers find bucket shops tucked away in run-down office buildings. Travelers are then enrolled in phony "bona fide" organizations, given predated membership cards, and sold one-way tickets and vouchers for the return trip.

As a rule, passengers booked on affinity flights get to their destination as planned—Europe in most cases. But sometimes they

find that the return flight that they are booked for does not exist, nor does a European office of the company that has taken their money for the round trip ticket. Every year, hundreds of American students are stranded in Europe just as schools are reopening.

Recently a Business Week reporter followed up on three *Village Voice* ads picked at random. She found she could go to London and back for \$165 as a "member" of the "St. Catellus Sports Club," or for \$170 as a member of "Europe Is For Young People, Inc." The third advertiser had fled his plush offices on Manhattan's Fifth Avenue. "I'd book my trip with a regular travel agent," a building guard advised.

To dramatize the loopholes, a Palo Alto (Calif.) travel agent, Marilyn Fink, last spring successfully booked CAB Chairman Secor D. Browne and CAB enforcement chief Richard J. O'Melia on West Coast-Europe flights to be operated by groups called the Educational Student Exchange/International Cultural Exchange and the California Bowler's Travel Club. In making the reservation for the CAB chairman she posed as his mother. The CAB men had never heard of either club; the groups appear to exist only to sponsor trips for "members." The CAB is well aware of what is going on. Says O'Melia: "As quickly as we move to plug one hole in the dike, the ingenious mind of the black-market charter consolidator seeks new ways to scrounge illegal-charter profits."

CAB'S NEW PROPOSAL

In addition to trying to plug the holes, the CAB is now suggesting that the rules be relaxed. It proposes a new category to be called "travel group charters." Charter organizers would form groups of 50 or more persons to fill chartered space on aircraft. Passengers would not have to be members of a bona fide organization, but they would have to commit themselves to a given flight six months in advance and make a nonrefundable 25% downpayment.

This proposal is supposed to go into effect in mid-March for a three-year trial. In applying to the 1972 season, the six-month proviso would be cut to four months. Under this plan, charters could be sold by both scheduled and nonscheduled airlines, but neither group is very happy about it. Criticism centers on the long lead time, the red tape in the CAB's attempts to keep everyone honest, and a prohibition against advertising in mass media.

The restriction on ad promotion, Overseas National contends, "will engender rather than frustrate a black market in such charters." Echoing industry sentiment, Overseas insists that "established travel agents should organize the charters, because we feel that such a requirement would keep unscrupulous consolidators out of the marketplace."

THE SQUEEZE ON THE SUPPLEMENTALS

The U.S. supplementals are caught in a squeeze. On the one side, scheduled carriers are employing their older jets more and more in charter work. On the other side are the European charter operators, which have far more freedom to expand their business.

Many European national-flag airlines, for example, now have their wholly owned charter subsidiaries, a practice prevented by law in the U.S. For one, West Germany's Lufthansa owns 100% of Condor, the German charter carrier. Universal's President Glenn L. Hickerson says that a Lufthansa official explained the difference between the two companies: "Lufthansa's colors are gold and blue; Condor's colors are blue and gold."

Officials of U.S. supplementals, such as Hickerson and Saturn's President Howard K. Howard, regard the State Dept. as naive in granting virtually unlimited landing rights to European charter carriers on the assumption that the European governments will reciprocate. The U.S. supplementals have to get a landing permit for each flight. "A lot

of governments let us sweat every time we ask," says Howard. It is not that the U.S. operators get turned down often, just that it is nerve-racking to sign a contract with a charter group months in advance for a flight that could conceivably never get off the ground. And even when there is no trouble in the end, the procedure is a nuisance.

Breaking new ground. Of the six leading supplementals, only World and Trans International have rights in the Pacific. With the long distances involved and the high per-mile fares charged by the scheduled airlines, the Pacific would seem a natural for the charter industry. "The potential there has barely been scratched," says TIA's President Glenn A. Cramer. The problem is landing rights.

Japan, for example, has a quota system that last year allowed only 55 charter flights, plus 15 for a Boy Scout jamboree. This year Japan is allowing 75 flights, TIA and World are pressing for 208 flights, which Cramer insists could be filled easily.

Not content with government efforts to ease restrictions on landings, World's autocratic Chairman Edward J. Daly last year sallied forth with an entourage of his executives to survey European and Pacific countries. In Australia, which allows virtually no supplemental flights, Daly tried a carrot-and-stick approach by applying for permission to bring in 2,500 American tourists and threatening to take them elsewhere if Australia turned him down. Aside from generating a flurry of publicity, the tactic has accomplished nothing.

CONFUSED AND ANGRY

For all their problems, the supplementals have a strong ally these days: the tour operators. The harder the scheduled carriers work at inventing complex fare discounts to drive the charters off the North Atlantic—and the more meetings they have to hold to persuade each other to adopt these fares, as they did five times for next summer's travel rush—the more confused and angry the tour operators become. Says Capitol's marketing vice-president, Clifford D. Dancer: "The poor tour operator is just sitting out there not knowing what the prices will be. That's one reason a lot of them have swung to supplementals." Capitol last year landed the biggest inclusive tour charter contract ever for the industry: \$6-million for 100 flights to Europe, starting this spring.

As a way of illustrating the price confusion, Overseas has a piece of paper listing 49 different round-trip economy fares ranging up to \$595, either in existence or proposed in recent months, between New York and London. Through it all, Overseas notes that it has maintained three prorate prices: a basic \$143, a peak-season price of \$173, and a winter rate of \$130.

FILLING EMPTY PLANE SEATS

Competition between the scheduled airlines and the unscheduled supplemental carriers is reaching the point where only profound changes in the structure of the air transport industry can save everyone from economic disaster (page 47). It is time for the two opposing sides of the commercial airline business to stop trying to knock each other's brains out and start working on the terms of a compromise.

The scheduled carriers were created primarily for the business traveler. They have been tailored to meet his needs for convenient timetables and year-around flights to thin traffic points as well as thick. They argue that schedule reliability and a total air transport system supported by the heavy-density, high paying routes is essential for any modern industrial nation.

The supplementals, on the other hand, point out that there is an enormous untapped market consisting of people who

would fly if the price were low enough. This market does not need schedule reliability, and it will not pay rates designed to subsidize flights to places where it does not want to go.

Both sides are right. But while they argue over rates, regulations, and responsibilities, the sky is full of empty seats that might be filled if the carriers offered the right service at the right price.

The scheduled carriers must start thinking in terms of providing three classes of service on the same aircraft: first class, tourist, and group excursions. The supplemental carriers must clean up their sales practices and establish strict standards of reliability. Eventually, many of the supplementals probably should merge with the scheduled carriers.

All this means painful changes for both branches of the commercial air transport industry. But if the changes come soon, they will hurt less than the pointless competition that chews into profits and leaves large parts of the public grounded.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Washington (Mr. ADAMS) whatever time he may require.

Mr. ADAMS. Mr. Chairman, you will recall that during the subcommittee hearings on H.R. 11416 there was testimony from some witnesses which was directed, in addition to the rate matter, to other related matters concerning the problems of obtaining landing and uplift rights in foreign countries for charter services performed by our supplemental carriers.

It is my understanding that the matter of landing and uplift rights was not pursued by the subcommittee in connection with the consideration of H.R. 11416 because of the urgency of this legislation and the fact that time did not permit to more fully explore the subject of landing and uplift rights.

My question, Mr. Chairman, is this: Is it the intent of the chairman of the Committee on Interstate and Foreign Commerce to schedule hearings at an early date on the matter of landing and uplift rights in foreign countries for our supplemental carriers involved in charter air transportation?

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the chairman.

Mr. STAGGERS. In reply to the gentleman from Washington, I might say that he knows that this bill was intended to be of limited scope. The matter of landing and takeoff rights in foreign countries was brought up, but we decided that it should not be dealt with in this legislation. There is a bill, H.R. 8108, which is pending before the Committee on Interstate and Foreign Commerce, which deals with this subject. We will have hearings on that bill. I believe it is very important that the Department of State, the Civil Aeronautics Board, and the Department of Transportation should immediately undertake, on an expeditious basis, to negotiate suitable arrangements with foreign countries for a fully reciprocal basis for carriers engaged in charter operations. But we are going to have hearings on H.R. 8108 and we intend to bring it to the House floor.

Mr. ADAMS. I thank the gentleman very much. I am sure that your statement is welcome news to many Members

of this Congress as well as to the industry. It is my understanding that the Departments of State and Transportation, and hopefully the Civil Aeronautics Board, are meeting with the European Civil Aviation Conference on March 21 in Paris to explore some of these matters, and I trust that these agencies will take heed to your remarks and let the foreign countries know that the United States will not tolerate discrimination among U.S. air carriers.

Mr. STAGGERS. The question is appreciated, and I can assure the gentleman that this matter will have consideration by the committee. I hope that the different agencies of the Government will take account of our intention and be prepared to expedite their views so that we can have hearings and bring out a bill.

Mr. MOSS. Mr. Chairman, your statement and that of Mr. ADAMS are good news to me, because four of the largest of the U.S. supplemental carriers are located within California.

Mr. Chairman, I am shocked, along with you, that more aggressive action has not been taken especially with regard to the European Civil Aviation Conference. I have, Mr. Chairman, a copy of a recent report by the International Air Transport Association to ECAC on the subject of international air charters. This report is confidential, and I am advised that secret votes were taken as to the recommendations contained therein and that U.S. international scheduled carriers participated in these meetings and in working group sessions, all of which were designed to place restrictions on charter activity to the detriment of the consumer, and in an effort to curtail competition.

Mr. Chairman, I recommend that the Committee on Interstate and Foreign Commerce of this body, request the U.S. Civil Aeronautics Board, and the Department of Justice to immediately investigate the matter of these recommendations to ECAC by IATA in which U.S. carriers participated without prior approval of the U.S. Government and which, in my judgment, violated our antitrust laws since they were not immunized by the CAB under sections 412 and 414. In addition, these recommendations by U.S. carriers to foreign governments are in conflict with U.S. international aviation policy.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Michigan.

Mr. ESCH. I appreciate the gentleman's yielding.

Mr. Chairman, I have no problem with the matter of airlift and landing rights. In fact, I applaud you for suggesting that this is an area in which we are concerned. I am as equally concerned as you are on this matter, but I am also concerned to make sure that in our bargaining we do not jeopardize the scheduled airlines at the same time. I know you share that concern.

Mr. Chairman, I have no problem with the thought of a hearing on charter landing rights retaliation. I concede that this is a genuine problem which the supplementals have, and further congress-

sional inquiry into various countries' reasons for refusing landing rights to charters may be warranted. However, I have a question in my mind as to whether or not Congress needs to solve the supplementals' problem, in view of the fact that the CAB presently has sufficient authority, under part 213 of its regulations, and has been taking steps to resolve this problem as it relates to particular countries. In addition, the U.S. Government is presently engaged in a broad scale attempt to establish landing rights for U.S. charters. But beyond all this, I am concerned that Congress approach this problem with due regard for any impact that it might have on the fine scheduled air transportation which is so critical to the economic viability of our country, as well as the personal convenience of our constituents. I would not want to see U.S. scheduled carriers held hostage in order to provide a quick "political windfall" for supplemental operators.

The international air transportation system is based on negotiations and mutual agreements between sovereign countries. It was through this process that U.S. scheduled carriers acquired their landing rights, and only after arduous negotiation. I am concerned that in providing for retaliation against countries which deny U.S. charter landing rights, the landing rights of U.S. scheduled carriers might be jeopardized. If the United States initiated unilateral action to retaliate against a foreign country denying supplementals' landing rights, that country would retaliate in some manner. Obviously, the target for retaliation would have to be against U.S. scheduled carriers, and therefore this would jeopardize the hard-won landing rights of scheduled carriers and, in effect, render them as "hostages" to solve a supplemental problem. Obviously, there is no equity in this notion.

The President's recently stated policy on international air transportation recognizes that supplemental and scheduled rights should not be commingled. The policy says:

The foreign landing rights for charter services should be regularized, as free as possible from substantial restriction. To accomplish this, inter-governmental agreements covering the operation of charter services should be vigorously sought, distinct, however, from agreements covering scheduled services. In general, there should be no tradeoff as between scheduled service rights and charter service rights.

I suggest to you today that the whole issue of charter landing rights and retaliation is vastly complex and should not be decided without a full awareness of all ramifications involved.

Mr. FRENZEL. Mr. Chairman, the North Atlantic air routes have been subject to severe price wars in the past, and are threatened with the same this year. Competition is healthy, and generally good for the consumer, but in this instance I fear that the long-term interests of the public are not being served.

Allowing the Civil Aeronautics Board the authority to suspend or reject the rate will close an existing loophole in air fare regulations without disturbing the relationship, or the authority of

either the CAB or the International Air Transportation Association.

I urge the passage of H.R. 11416.

Mr. STAGGERS. Mr. Chairman, I have no further requests for time.

Mr. SPRINGER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will read the amendment in the nature of a substitute as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 404(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1374(a)) is amended by inserting "(1)" immediately after "(a)" and by adding at the end thereof the following new paragraph:

"(2) It shall be the duty of every air carrier and foreign air carrier to establish, observe, and enforce just and reasonable individual and joint rates, fares, and charges, and just and reasonable classifications, rules, regulations, and practices relating to foreign air transportation; and, in case of such joint rates, fares, and charges, to establish just, reasonable, and equitable divisions thereof as between air carriers or foreign air carriers participating therein which shall not unduly prefer or prejudice any of such participating air carriers or foreign air carriers."

Sec. 2. Section 801 of such Act (49 U.S.C. 1461) is amended by inserting "(a)" immediately after "Sec. 801." and by adding at the end thereof the following new subsection:

"(b) Any order of the Board pursuant to section 1002(j) of this Act suspending, rejecting, or canceling a rate, fare, or charge for foreign air transportation, and any order rescinding the effectiveness of any such order, shall be submitted to the President before publication thereof. The President may disapprove any such order when he finds that disapproval is required for reasons of the national defense or the foreign policy of the United States not later than ten days following submission by the Board of any such order to the President."

Sec. 3. (a) Section 1002 of such Act (49 U.S.C. 1482) is amended by adding at the end thereof the following new subsection:

"SUSPENSION AND REJECTION OF RATES IN FOREIGN AIR TRANSPORTATION

"(j) (1) Whenever any air carrier or foreign air carrier shall file with the Board a tariff stating a new individual or joint (between air carriers, between foreign air carriers, or between an air carrier or carriers and a foreign air carrier or carriers) rate, fare, or charge for foreign air transportation or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Board is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or other formal pleading by the air carrier or foreign air carrier, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, the Board, by filing with such tariff, and delivering to the air carrier or foreign air carrier affected thereby, a statement in writing of its reasons for such suspension, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or practice, for a period or periods not exceeding three hundred and sixty-five days in the aggregate beyond the time when such tariff would otherwise go into effect. If, after hearing, the Board shall be of the opinion that such rate, fare, or charge, or such classification, rule, regulation, or practice, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferen-

tial, or unduly prejudicial, the Board may take action to reject or cancel such tariff and prevent the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. The Board may at any time rescind the suspension of such tariff and permit the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. If the proceeding has not been concluded and an order made within the period of suspension or suspensions, or if the Board shall otherwise so direct, the proposed rate, fare, charge, classification, rule, regulation, or practice shall go into effect subject, however, to being canceled when the proceeding is concluded. This paragraph shall not apply to any initial tariff filed by an air carrier or foreign air carrier. During the period of any suspension or suspensions, or following rejection or cancellation of a tariff, including tariffs which have gone into effect provisionally, the affected air carrier or foreign air carrier shall maintain in effect and use the rate, fare, or charge, or the classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of service thereunder, which was in effect immediately prior to the filing of the new tariff.

"(2) With respect to any existing tariff of an air carrier or foreign air carrier stating rates, fares, or charges for foreign air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Board is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or other formal pleading by the air carrier or foreign air carrier, but upon reasonable notice, to enter into a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, the Board, upon reasonable notice, and by filing with such tariff, and delivering to the air carrier or foreign air carrier affected thereby, a statement in writing of its reasons for such suspension, and the effective date thereof, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or practice, following the effective date of such suspension, for a period or periods not exceeding three hundred and sixty-five days in the aggregate from the effective date of such suspension. If, after hearing, the Board shall be of the opinion that such rate, fare, or charge, or such classification, rule, regulation, or practice, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, the Board may take action to cancel such tariff and prevent the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. If the proceeding has not been concluded within the period of suspension or suspensions, the tariff shall again go into effect subject, however, to being canceled when the proceeding is concluded. For the purposes of operation during the period of such suspension, or the period following cancellation of an existing tariff pending effectiveness of a new tariff, the air carrier or foreign air carrier may file a tariff embodying any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, that may be currently in effect (and not subject to a suspension order) for any air carrier engaged in the same foreign air transportation.

"(3) Whenever the Board finds that the government or aeronautical authorities of any foreign country have refused to permit the charging of rates, fares, or charges contained in a properly filed and published tariff of an air carrier filed under this Act for foreign air transportation to such foreign country, the Board may, without hearing, (A) suspend the operation of any existing tariff

of any foreign air carrier providing services between the United States and such foreign country for a period or periods not exceeding three hundred and sixty-five days in the aggregate from the date of such suspension, and (B) during the period of such suspension or suspensions, order the foreign air carrier to charge rates, fares, or charges which are the same as those contained in a properly filed and published tariff (designated by the Board) of an air carrier filed under this Act for foreign air transportation to such foreign country, and the effective right of an air carrier to start or continue service at the designated rates, fares, or charges to such foreign country shall be a condition to the continuation of service by the foreign air carrier in foreign air transportation to such foreign country.

"(4) The provisions of this subsection and compliance with any order of the Board issued pursuant thereto shall be an express condition to the certificates or permits now held or hereafter issued to any air carrier or foreign air carrier, and the maintenance of rates, fares, or charges in conformity with the requirements of such provisions and such order of the Board shall be a condition to the continuation of the affected service by such air carrier or foreign air carrier.

"(5) In exercising and performing its powers and duties under this subsection with respect to the rejection or cancellation of rates for the carriage of persons or property, the Board shall take into consideration, among other factors—

"(A) the effect of such rates upon the movement of traffic;

"(B) the need in the public interest of adequate and efficient transportation of persons and property by air carriers and foreign air carriers at the lowest cost consistent with the furnishing of such service;

"(C) such standards respecting the character and quality of service to be rendered by air carriers and foreign air carriers as may be prescribed by or pursuant to law;

"(D) the inherent advantages of transportation by aircraft;

"(E) the need of such air carrier and foreign air carrier for revenue sufficient to enable such air carrier and foreign air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier and foreign air carrier service; and

"(F) whether such rates will be predatory or tend to monopolize competition among air carriers and foreign air carriers in foreign air transportation."

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 1002. Complaints to and investigations by the Administrator and the Board."

is amended by adding at the end thereof the following:

"(j) Suspension and rejection of rates in foreign air transportation."

SEC. 4. The amendments made by this Act shall not be deemed to authorize any actions inconsistent with the provision of section 1102 of the Federal Aviation Act of 1958 (49 U.S.C. 1502).

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The question is on

the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. ICHORD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11416) to amend the Federal Aviation Act of 1958 to provide for the regulation of rates and practices of air carriers and foreign air carriers in foreign air transportation, and for other purposes, pursuant to House Resolution 851, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, pursuant to House Resolution 851, I call up for immediate consideration the Senate bill (S. 2423) to amend the Federal Aviation Act of 1958 to provide for the suspension and rejection of rates and practices of air carriers and foreign air carriers in foreign air transportation, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of S. 2423 and insert in lieu thereof the provisions of H.R. 11416, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 11416) was laid on the table.

HEARINGS ON THE FREEDOM OF INFORMATION ACT TO BEGIN MONDAY, MARCH 6

(Mr. MOORHEAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD. Mr. Speaker, I would like to notify Members that next Monday, March 6, the Foreign Operations and Government Information Subcommittee of the Government Operations Committee will begin a comprehensive new series of hearings on the administration, opera-

tions, and effectiveness of the Freedom of Information Law (5 U.S.C. 552) and other related fields. The hearings will begin at 10 a.m. in room 2154 Rayburn House Office Building. The tentative list of witnesses during the first 2 weeks follows my remarks.

The Freedom of Information Law was enacted by the 89th Congress after many years of hearings, study, and investigation by the subcommittee headed by the distinguished gentleman from California (Mr. Moss). It was signed into law by President Johnson and became effective on July 4, 1967. The President said in his statement:

This legislation springs from one of our most essential principles; a democracy works best when the people have all the information that the security of the Nation permits. No one should be able to pull curtains of secrecy around decisions which can be revealed without injury to the public interest. . . . I signed this measure with a deep sense of pride that the United States is an open society in which the people's right to know is cherished and guarded.

The freedom of information law has now been operative for slightly more than 4½ years, spanning parts of two administrations. While the subcommittee has exercised broad oversight into its administration and has become involved in many individual cases involving the law referred by Members and others, these forthcoming hearings will be the first comprehensive review of the overall operation of the law.

The subcommittee held hearings last summer in connection with the publication of the so-called Pentagon papers, dealing with section 552(b)(1) of the law involving information exempted because of national defense and foreign policy matters covered by Executive Order 10501. These hearings also dealt with such related matters as the need to maintain a free press, as guaranteed by the first amendment to our Constitution, prerogatives of the legislative branch in obtaining information from the Executive in order to fulfill our constitutional responsibilities, and the increasing dangers of erosion of public confidence in Government, because of restrictions by the Executive on the free flow of information.

The hearings beginning next Monday will build on the testimony already taken last June and July from witnesses from the Defense, Justice, and State Departments, as well as testimony from many outstanding experts in the fields of security classification matters, public information, and related constitutional questions.

Mr. Speaker, on February 11 and 12 the Washington Post carried two articles by Mr. Sanford J. Ungar revealing the existence of a draft Executive order to replace the present Executive Order 10501, issued in 1953, entitled "Safeguarding Official Information in the Interests of the Defense of the United States." This order was the subject of a report approved by our subcommittee and issued by the Government Operations Committee on September 21, 1962 (H. Rept. 87-2456).

Last June 29, then Assistant Attorney

General Rehnquist described to the subcommittee the work of the Interdepartmental Committee on Internal Security, appointed earlier in the year by President Nixon. This committee had for some months been reviewing Executive Order 10501, with a view toward revisions. According to news reports in the Post, the recommendations of this committee were forwarded to the National Security Council and circulated to the affected Executive departments for comment.

When the news reports appeared concerning the new draft Executive order, I formally requested that a copy be made available for study by the Foreign Operations and Government Information Subcommittee, in view of the matters raised during our hearings last June, the many years of expertise in security classification problems, and their direct relationship with the provisions of section 552(b)(1) of the Freedom of Information Act. This request, submitted in behalf of the subcommittee to Mr. John W. Dean III, White House counsel, has been denied. This denial is particularly regrettable, Mr. Speaker, because our subcommittee has been exploring a workable legislative alternative to replace the present Executive Order 10501 and had already planned additional hearings in early May as part of our overall review of the Freedom of Information Act.

Rumors have been circulating during the past several days that the administration may be planning to issue a new Executive order to head off legislative action in this field by the Congress. I hope that such rumors are unfounded, because our analysis of the contents of the draft being circulated by NSC, as reported by Mr. Ungar in the Post, show, in our judgment, many inadequacies and gross deficiencies that would only make the problem worse if issued prematurely before Congress has the opportunity to consider other alternatives.

Mr. Speaker, our hearings will also explore further the availability of information from the executive branch to Congress. Committee chairmen and individual members who have encountered difficulties in obtaining information are invited to contact our subcommittee. We welcome testimony detailing specific refusal cases during this phase of our hearings that will begin about the middle of May.

In June, the subcommittee will hold hearings on two bills that have been introduced as amendments to the Freedom of Information Law. One is H.R. 8903, sponsored by the gentleman from New York (Mr. HORTON) and a number of other Members of the House, and which would prohibit the sale of mail lists for commercial purposes by Federal agencies.

The other is H.R. 854, sponsored by the gentleman from New York (Mr. KOCH) and by more than 100 other Members, and which would require Federal agencies who maintain records or files on individual citizens to apprise them of the existence of such records, with certain exceptions for material dealing with national security or law enforcement.

Mr. Speaker, I include at this point in the RECORD the tentative witness list for the first 2 weeks of our hearings, the text

of the Freedom of Information Law, the articles by Mr. Ungar previously referred to in my remarks, a letter to the Washington Post by Mr. William G. Florence, a retired Air Force security classification expert who testified before our subcommittee last June, and a Post editorial on this subject:

HEARINGS ON "U.S. GOVERNMENT INFORMATION POLICIES AND PRACTICES—ADMINISTRATION AND OPERATION OF THE FREEDOM OF INFORMATION ACT"

MONDAY, MARCH 6, 10 A.M., ROOM 2154, RAYBURN

A panel of Government information experts consisting of:

Mr. James C. Hagerly, former Press Secretary to President Eisenhower.

Mr. Pierre Salinger, former Press Secretary to President Kennedy.

Mr. George Reedy, former Press Secretary to President Johnson.

Mr. Harold R. Lewis, former Director of Information, Department of Agriculture.

Mr. Arthur Sylvester, former Assistant Secretary for Public Affairs, Department of Defense.

Mr. J. Stewart Hunter, former Associate Director of Information for Public Services, Department of Health, Education and Welfare.

TUESDAY, MARCH 7, 10 A.M., ROOM 2154, RAYBURN

A panel of legal experts on the Freedom of Information Act consisting of:

Mr. Frank Wozencraft, Attorney, Houston, Texas.

Mr. Anthony L. Mondello, General Counsel, U.S. Civil Service Commission.

Mr. Richard B. Wolf, Deputy Director, Institute for Public Interest Representation, Georgetown University Law Center.

Mr. David Parson, Chairman, Committee on Government Information, Federal Bar Association.

THURSDAY, MARCH 9, 10 A.M., ROOM 247, RAYBURN

Mr. Arthur J. Goldberg, former Supreme Court Justice, former Secretary of Labor and U.S. Ambassador to the United Nations.

FRIDAY, MARCH 10, 10 A.M., ROOM 2154, RAYBURN

Mr. Ralph E. Erickson, Assistant Attorney General (Office of the Legal Counsel), Department of Justice, accompanied by Mr. Robert Saloschin, Attorney, Office of the Legal Counsel.

TUESDAY, MARCH 14, 10 A.M., ROOM 2203, RAYBURN

Mr. Roger C. Cramton, Chairman, Administrative Conference of the United States, accompanied by Mr. John F. Cushman, Executive Director, Administrative Conference.

A witness to be designated by the Office of Management and Budget.

A panel of individuals having experience in the administrative workings of the Freedom of Information Act consisting of:

Mr. Reuben Robertson, Attorney, Mr. Harrison Welford and Mr. Peter Schuck, Center for the Study of Responsive Law, Mr. Bertram Gottlieb, Transportation Institute.

FRIDAY, MARCH 17, 10 A.M., ROOM 2203, RAYBURN

A panel of the news media having experience in the use of the Freedom of Information Act consisting of:

Mr. Ward Sinclair, Washington Bureau, Louisville Courier-Journal.

Mr. R. Peter Straus, Publisher, Straus Editor's Report.

Mr. Roy McGhee, Reporter, United Press International, Washington Bureau.

Mr. Donald L. Barlett, Reporter, Philadelphia Inquirer.

Mr. John Seigenthaler, Editor, Nashville Tennessean.

(This partial list will be supplemented to include witnesses for other hearings to be held prior to the Easter Recess on March 20, 24, 27, and 28.)

PUBLIC LAW 90-23, 90TH CONGRESS, H.R. 5357, JUNE 5, 1967

An act to amend section 552 of title 5, United States Code, to codify the provisions of Public Law 89-487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 552 of title 5, United States Code, is amended to read:

"§ 552. Public information; agency rules, opinions, orders, records, and proceedings

"(a) Each agency shall make available to the public information as follows:

"(1) Each agency shall separately state and currently publish in the Federal Register for the guidance of the public—

"(A) descriptions of its central and field organization and the established places at which, the employees (and in the case of a uniformed service, the members) from whom, and the methods whereby, the public may obtain information, make submittals or requests, or obtain decisions;

"(B) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures available;

"(C) rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations;

"(D) substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and

"(E) each amendment, revision, or repeal of the foregoing.

Except to the extent that a person has actual and timely notice of the terms thereof, a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register and not so published. For the purpose of this paragraph, matter reasonably available to the class of persons affected thereby is deemed published in the Federal Register when incorporated by reference therein with the approval of the Director of the Federal Register.

"(2) Each agency, in accordance with published rules, shall make available for public inspection and copying—

"(A) final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;

"(B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register; and

"(C) administrative staff manuals and instructions to staff that affect a member of the public;

unless the materials are promptly published and copies offered for sale. To the extent required to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, or staff manual or instruction. However, in each case the justification for the deletion shall be explained fully in writing. Each agency also shall maintain and make available for public inspection and copying a current index providing identifying information for the public as to any matter issued, adopted, or promulgated after July 4, 1967, and required by this paragraph to be made available or published. A final

order, opinion, statement of policy, interpretation, or staff manual or instruction that affects a member of the public may be relied on, used, or cited as precedent by an agency against a party other than an agency only if—

"(1) it has been indexed and either made available or published as provided by this paragraph; or

"(ii) the party has actual and timely notice of the terms thereof.

"(3) Except with respect to the records made available under paragraphs (1) and (2) of this subsection, each agency, on request for identifiable records made in accordance with published rules stating the time, place, fees to the extent authorized by statute, and procedure to be followed, shall make the records promptly available to any person. On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, has jurisdiction to enjoin the agency from withholding agency records and to order the production of any agency records improperly withheld from the complainant. In such a case the court shall determine the matter de novo and the burden is on the agency to sustain its action. In the event of noncompliance with the order of the court, the district court may punish for contempt the responsible employee, and in the case of a uniformed service, the responsible member. Except as to causes the court considers of greater importance, proceedings before the district court, as authorized by this paragraph, take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

"(4) Each agency having more than one member shall maintain and make available for public inspection a record of the final votes of each member in every agency proceeding.

"(b) This section does not apply to matters that are—

"(1) specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy;

"(2) related solely to the internal personnel rules and practices of an agency;

"(3) specifically exempted from disclosure by statute;

"(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;

"(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;

"(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

"(7) investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency;

"(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or

"(9) geological and geophysical information and data, including maps, concerning wells.

"(c) This section does not authorize withholding of information or limit the availability of records to the public, except as specifically stated in this section. This section is not authority to withhold information from Congress."

SEC. 2. The analysis of chapter 5 of title 5, United States Code, is amended by striking out:

"552. Publication of information, rules, opinions, orders, and public records."

and inserting in place thereof:

"552. Public information; agency rules, opinions, orders, records, and proceedings."

SEC. 3. The Act of July 4, 1966 (Public Law 89-497, 80 Stat. 250), is repealed.

SEC. 4. This Act shall be effective July 4, 1967, or on the date of enactment, whichever is later.

Approved June 5, 1967.

[From the Washington Post, Feb. 11, 1972]

NSC URGES STIFFER LAW ON SECRETS

(By Sanford J. Ungar)

The National Security Council is proposing tougher regulations to keep classified information out of the hands of unauthorized government officials, defense contractors and the public.

It suggests that President Nixon may want to go as far as seeking legislation similar to the British Official Secrets Act, which would have the effect of imposing stiff criminal penalties on anyone who receives classified information, as well as on those who disclose it.

The recommendations are contained in the draft revision of the executive order that has governed the security classification system since 1953.

The draft was submitted to the Department of State, Defense and Justice, the Central Intelligence Agency and the Atomic Energy Commission last month for their comments. A copy was obtained by The Washington Post yesterday.

After suggestions have come back from those agencies, a revised draft is expected to be sent to the President for approval on his return from China.

The National Security Council draft is the result of a year's work by a special inter-agency committee headed by William H. Rehnquist, formerly an assistant attorney general and now a Justice of the Supreme Court.

National Security Council sources said yesterday that Rehnquist's contributions to the revision were "very important. . . . He did yeoman work."

Rehnquist resigned from the inter-agency committee when he was sworn in as a member of the high court last month, and he has not been replaced.

If adopted in its current form, the NSC draft would freeze the existing secrecy stamps on thousands of documents now in special categories exempt from automatic declassification over a period of 12 years.

The exempt documents now include "information or material originated by foreign governments or international organizations," "extremely sensitive information or material" singled out by the heads of agencies and "information or material which warrants some degree of classification for an indefinite period."

The NSC draft abolishes special categories and introduces a "30-year rule" setting the time limit for declassification of all future secret government information.

The time period over which some documents would be automatically down-graded in security classification and eventually declassified would be reduced from 12 to 10 years.

Documents originally stamped "top secret" could be made public after 10 years. Those marked "secret" could be declassified after 8 years, and those with a "confidential" stamp after 6 years.

But before that time has passed, the NSC draft suggests, "classified information or material no longer needed in current working files" may be "promptly destroyed, transferred or retired" to reduce stockpiles of classified documents and cut the costs of handling them.

A House subcommittee investigating the availability of classified information has estimated the cost of maintaining secret gov-

ernment archives at \$60 to \$80 million annually.

Although the special review of classification procedures was commissioned by President Nixon long before the top-secret Pentagon papers on the war in Vietnam were disclosed to the public last summer, the NSC draft reflects a number of the problems debated during the Pentagon papers episode.

Among the recommendations in the NSC draft are:

Creation of an "interagency review committee," whose chairman would be appointed by the President, to supervise all government security classification activity and handle complaints from the public about overclassification.

An annual "physical inventory" by each agency holding classified material to be sure that security has been strictly preserved.

Establishment of a requirement that everyone using classified material not only have a security clearance, but also demonstrate his "need for access" to particular items "in connection with his performance of official duties or contractual obligations."

Tighter control over "dissemination outside the Executive Branch" to such organizations as the Rand Corp. in California, which performs defense research under government contracts.

Establishment of safekeeping standards by the General Services Administration to assure that all classified material is appropriately locked up and guarded.

Markings on every classified document to make it possible to "identify the individual or individuals who originally classified each component."

Establishment of its own rules by every government agency on when and how it will make classified information available to Congress or the courts.

The NSC draft lists 41 government agencies which would have the authority to put classification stamps on documents and other materials. They range from the White House and Atomic Energy Commission to the Panama Canal Co. and the Federal Maritime Commission.

Several agencies which previously did not have such authority are added to the list, such as the White House Office of Telecommunications Policy and the Export-Import Bank.

Only two agencies—ACTION, successor to the Peace Corps, and the Tennessee Valley Authority—are to be restricted to the use of "classified" stamps, and banned from classifying documents "top secret" or "secret."

Except for its final pages, which are stamped "For Official Use Only," the copy of the NSC draft obtained by The Post bears no security marking itself.

It is in the final pages that the National Security Council makes its recommendations for revising criminal statutes to deal with unauthorized disclosure of classified information. The President is offered three options:

Leaving existing law unchanged.

Revising one section of the federal espionage act to omit the requirement that disclosure, to be considered criminal, must be "to a foreign agent." The revision would make it a crime to disclose classified information to any unauthorized person.

Seeking legislation like the British Official Secrets Act, which severely punishes those who disclose and receive classified information.

Touching on an issue that was repeatedly raised during the court cases involving the Pentagon papers, the NSC draft also instructs:

"In no case shall information be classified in order to conceal inefficiency or administrative error, to prevent embarrassment to a person or agency, to restrain competition or independent initiative, or to prevent for any other reason the release of information

which does not require protection in the interest of national security."

Several judges ruled last summer that publication of the Pentagon papers, a history of American involvement in Vietnam, might cause embarrassment to government officials but would not endanger the national well-being.

The draft also substitutes the term "national security" wherever "national defense" was used in the previous regulation controlling the classification of information.

One expert on security classification said yesterday that national security is generally considered a broader term which permits the classification of more material.

The NSC draft also provides for classification of anything whose "unauthorized disclosure could reasonably be expected to result in damage to the nation, a less stringent condition than was previously imposed.

The preamble to the draft states that "it is essential that the citizens of the United States be informed to the maximum extent possible concerning the activities of their government," but adds that it is "equally essential for their government to protect certain official information against unauthorized disclosure."

The draft, says the NSC, is intended "to provide for a just resolution of the conflict between these two essential national interests."

[From the Washington Post, Feb. 12, 1972]

PENTAGON FIGHTS SECRETS PLAN (By Sanford J. Ungar)

The Defense Department is opposing a National Security Council recommendation that all classified government information be made public after being kept secret for a maximum of 30 years.

Criticizing an NSC draft revision of government security regulations, the Pentagon has appealed for a "savings clause" that would permit agency heads to designate material affecting foreign relations which they believe must remain secret indefinitely in the interest of "national security."

But the Defense Department also questions some sections of the NSC draft as unduly restrictive and has suggested changes that might have the effect of reducing the number of classified documents in government archives.

The Pentagon suggestions are contained in a memorandum to the National Security Council from J. Fred Buzhardt, general counsel of the Defense Department.

The Washington Post has obtained a copy of that memorandum, one of several that will be considered by the National Security Council before submitting the draft for presidential approval.

Meanwhile, members of Congress and other experts on security classification attacked the NSC draft for cutting back on public access to government information rather than expanding it.

Rep. John E. Moss (D-Calif.), the author of the Freedom of Information Act, said that "no more stringent regulations are needed. They are the antithesis of a free society."

Commenting on details of the NSC draft as revealed in The Washington Post yesterday, Moss was especially critical of the suggestion that the President seek legislation, similar to the British Official Secrets Act, which would severely punish anyone who receives classified information as well as those who disclose it.

Such legislation, Moss said, "would be an outrageous imposition upon the American people. I will fight it, and I would hope that every enlightened American will fight it."

Rep. William S. Moorhead (D-Pa.), whose House Subcommittee on Foreign Operations and Government Information will open new hearings next month, complained yesterday that the NSC draft was "aimed only at clos-

ing information leaks in the executive branch rather than (making) more information available to the public and in Congress."

Moorhead said he had requested a copy of the NSC draft from the White House.

Earlier in the day, the Office of Legal Counsel at the Justice Department declined to provide a copy to the staff of the Moorhead subcommittee, saying that it was only "a working draft."

The Jan. 11 letter of transmittal which accompanied the NSC proposal when it was sent to the Departments of State, Defense and Justice, the Central Intelligence Agency and the Atomic Energy Commission, however, called it "the final draft."

The Defense Department recommendations concerning the draft, sent to the NSC on Jan. 21, were the product of a review by the three military departments and "a working group composed of classification specialists, intelligence experts and lawyers," according to Buzhardt's memorandum.

Buzhardt observed in the memo that the Pentagon found so many problems with the draft that it should "be substantially reworked before submission to the President."

Among other matters, the Defense Department urged an updating of the definitions of the three security classifications as follows:

"The test for assigning 'Top Secret' classification shall be whether its unauthorized disclosure could reasonably be expected to cause exceptionally grave damage to the nation or its citizens."

As examples of such damage, it cited a range of situations from "armed hostilities against the United States or its allies" to the compromise of cryptographic and communications intelligence systems.

"Secret" is to be used to prevent "serious damage" such as "endangerment to the effectiveness of a program or policy significantly related to the national security" or "jeopardy to the lives of prisoners-of-war."

"Confidential" refers to national security information or material, the unauthorized disclosure of which could reasonably cause damage to the national security." No examples were listed in this category.

The Pentagon also said that "it is imperative that these restrictions be imposed only where there is an established need."

The Defense Department objected, however, to the NSC's proposed requirement that every classified document be marked to indicate who had declared it secret. Buzhardt's memo called this condition "both unrealistic and unworkable."

Its strongest objection appeared to involve the NSC suggestion for a 30-year rule guaranteeing that all secret documents are released eventually.

"A savings clause to provide for exceptions to be exercised only by the agency head concerned is essential to prevent damage to national security," the Pentagon recommendations said.

"There are certain contingency plans dating from the 1920s which should be exempt from the 30-year rule," the Pentagon critique added. "Release of such documents would be unacceptable from a foreign relations standpoint for an indefinite period."

William G. Florence, a retired security expert for the Air Force, complained yesterday that the NSC draft, as reported in The Washington Post, "will continue to permit hundreds of thousands of people to continue putting unwarranted security classifications on information."

Florence referred to the practice as "illegal censorship."

[From the Washington Post, Feb. 22, 1972]

AN APPEAL FOR A SENSIBLE POLICY ON NATIONAL DEFENSE SECRECY

The Washington Post recently published news of a National Security Council recommendation that the existing secrecy policy

in Executive Order 10501 for safe-guarding national defense information be reissued in a new order. Measures currently imposed to keep Congress and the people from knowing what the Executive branch is doing would be continued.

We can all be thankful for the opportunity to explore this subject with the President and express our own views. Excessive secrecy has developed into one of the most critical problems of our time. The court cases and other events of 1971 show that the more secret the Executive branch becomes, the more repressive it becomes. It has already adopted the practice of honoring its own secrets more than the right of a free press or the right of a citizen to free speech.

The NSC "final draft" revision, as obtained by the Washington Post, claims that an Executive Order is required to resolve a conflict between (a) the right of citizens to be informed concerning the activities of the government and (b) the need of the government to safeguard certain information from unauthorized disclosure. Of course, *that simply is not true*. The Constitution did not create and does not now contain a basis for any such conflict. The interests and the power of the people are paramount in this country.

The only conflict about this matter is the President's failure to recognize the citizens' rights and ask Congress for legislation, in addition to existing law, that would provide the protection he wants for information bearing on the *active defense* of this nation. The information could be called National Defense Data. A specific definition for the data could be similar to the one already recommended in the report submitted to the President and Congress last year by the National Commission on Reform of the Federal Criminal Code. The President should take guidance from the fact that the Atomic Energy Act has been quite effective in controlling Atomic Energy Restricted Data without objectionable impact on the citizens' right of access to government activities.

If the President still insists on having an Executive order on the subject of safeguarding information, here are some comments that could be helpful:

1. *Updating.* The procedures in Executive Order 10501 for classifying defense information as TOP SECRET, SECRET or CONFIDENTIAL are substantially the same as the Army and Navy used before World War II to classify military information as SECRET or CONFIDENTIAL. The policy was suitable for small self-contained military forces. All of the SECRET and CONFIDENTIAL material held by some of the large Army posts could fit in a single drawer of a storage cabinet. Circumstances are completely different today. The strength of our national defense is not limited to military effort. It stems from the vast politico-social-industrial-military complex of this country. A commensurate interchange of information is essential. Therefore, such Executive order as the President considers to be required should be *radically* updated.

2. *Definition.* A fatal defect of Executive Order 10501 was the absence of a definition of "national defense information." That comparatively narrow term was an improvement over the broader terms "national security" and "security information" which were discarded in 1953. However, it is imperative that the designation used be limited severely by specific definition to information which the President really believes would damage the national defense and which leads itself to effective control measures.

3. *Categories.* Consistent with the urgent need to narrow the scope of protection, there should be only *one* category of defense information. Internal distribution designators could be used to limit distribution of a given item, but there need be only one classification marking. Experience proves

that three classifications invite serious confusion, promote uncontrollable overclassification, and reduce the effectiveness of the security system.

4. *Authority to Classify.* The President's assumed authority to impose a defense classification authority since they are not classification ought to be exercised by only a tiny fraction of the hundreds of thousands of people who are now classifying. The new definition and great importance of the information involved would permit limiting classification authority to persons designated by the President and to such others as they might designate. (Individuals who put markings on documents containing information classified by someone else do not need classifiers.) As a new procedure, anyone who assigns a defense classification to material which does not qualify for protection should be made subject to disciplinary action as a counterfeiter.

5. *Declassification.* The millions of classified papers currently gushing forth cannot possibly be kept under review for declassification on a document-by-document basis. But that is no reason for perpetuating assigned classifications as the NSC proposed. The President should take the insignificant risk and cancel the classification on historical material by appropriate order. As guidance, this writer authored DoD Directive 5200.9 in 1958 which canceled the classification on a great volume of information under the jurisdiction of the Secretary of Defense that had originated through the year 1945. As for the smaller number of items that should be produced in the future, declassification by the originating authority would be practicable and enforceable. Exceptional classified items, if any, sent to records repositories could be declassified automatically after the passage of a period of time such as 10 years.

6. *Privately Owned Information.* It is estimated that at least 25% of the material in this country which bears unjustifiable classifications was privately generated and is privately owned. The Executive order should specifically exclude privately owned information from the defense classification system.

7. *Misrepresentation of Law.* The NSC draft revision would continue the existing misrepresentation of the espionage laws by warning that disclosure of information in a classified document to an unauthorized person is a crime. The law applies only if there is intent to injure the United States, with no reference to classification markings. Falsification of the law should be eliminated.

The President could do the country a great service if he would seek advice from Congress and others outside the Executive branch regarding Executive Order 10501. It is hoped that many concerned citizens will help influence the adoption of that course of action.

WILLIAM G. FLORENCE.

Washington.

(NOTE.—The writer retired from the Air Force in May, 1971, after 43 years of government service, including 26 years as a security policy specialist.—See following editorial, "Official Secrets.")

OFFICIAL SECRETS

At least three times in the past year the administration has suffered the embarrassment of unintended leaks of classified information. Intended leaks are a commonplace—a form of standard operating procedure. Nothing but embarrassment, however, was entailed in the publication of files stolen from the Media, Pa., office of the FBI, or in the publication of the so-called Pentagon Papers, or in the publication of some reports of National Security Council sessions obtained and made public by columnist Jack Anderson. When we say "nothing but embarrassment" we mean: no irreparable injury to the country's security, no loss of human life, no disclosure of vital facts such as

the sailing of transports or the location of troops. Nevertheless, it is easy to understand why the administration was embarrassed and why it would have preferred to keep these documents securely locked up in its own file cabinets. In fact, a great deal of what goes on in the executive agencies of the government is wisely and properly kept secret. No one with any practical sense would suggest that Cabinet meetings ought to be conducted on television or that the Pentagon publish all its war plans or that the Secretary of State's talks with ambassadors be made known to all the world. Confidentiality is a key to many kinds of policy planning, many kinds of contingency preparation, many kinds of difficult and delicate negotiation.

Nevertheless, the first responsibility for the preservation of government secrets is clearly the government's. And clearly the government isn't discharging it very well. Thanks to yet another unofficial leak, this newspaper published the other day an account of the final draft of a proposed revision of the executive order establishing security classification procedures. It would prescribe, among other things, new standards for classification and declassification of government information. A highly sophisticated criticism of this proposal is contained in a letter appearing on the opposite page today from William G. Florence, an experienced security policy specialist formerly with the U.S. Air Force.

We have no quarrel with the proposed measures for tightening the physical safeguards for preserving official documents. And we are in full accord with the philosophy of the proposal's opening statement: "It is essential that the citizens of the United States be informed to the maximum extent possible concerning the activities of their government. In order that it may protect itself and its citizens against hostile action, overt or covert, and may effectively carry out its foreign policy and conduct diplomatic relations with all nations, it is equally essential for their government to protect certain official information against unauthorized disclosure."

One proposal tentatively put forward in the draft seems to us, however, to be fraught with danger to self-government. Existing law makes it a criminal offense for any government employee or official to disclose classified information to a foreign agent; the proposal would make it a crime to disclose classified material to any unauthorized person, if the classification was "secret" or "top secret." In addition, it is suggested that legislation be enacted in imitation of the British Official Secrets Act, which would impose criminal penalties not only on the government employee who divulges classified information but on the recipient of the information as well. That seems pretty plainly aimed at newspapers.

But newspapers in America are not agents, or even allies, of the government. They are, by specific provision of a written constitution—something England doesn't have—wholly independent of governmental regulation, precisely in order to enable them to serve, in Mr. Justice Hugo Black's splendid phrase, the governed, not the governors. If they are to do this effectively, they must be free to publish, within the limits of their knowledge, what they believe the public ought to know. The very essence of press freedom, it seems to us, lies in leaving the determination of what to publish by editors, when information becomes available to them, rather than to government officials.

Under American law, the press may not publish with perfect impunity. It may be called to account and punished for publishing official information if it does so with reason to believe that the publication will do injury to the United States. But this is a standard which imposes on the government, before publication can be punished,

the burden of proving injury—not merely embarrassment—and of proving intent. Thus a free press is left free, if its editors and publishers have the courage of their convictions, to publish what they think the public ought to know.

There are risks in this system—as there are risks in all forms of freedom. But these are risks that a self-governing society must run if it wants to be informed, in spite of official classification, of corrupt deals like the Teapot Dome oil leases or the fact that government agents are maintaining surveillance of persons not charged with, or even suspected, of any violation of law, or the deliberate manipulation of public opinion to take the country into war. Official secrets are sometimes disclosed because someone inside the government regards it as his patriotic duty to make the information available to a free press, some ramifications of which are discussed by Kenneth Crawford elsewhere on this page. But to foreclose the publication of such information, when it is not actually injurious to the nation, is to foreclose an essential means of keeping control of the government in the hands of the governed.

THE AMERICAN LEGION

(Mr. MURPHY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, I rise on this occasion to voice my objection to the current cover story of the magazine the Washingtonian entitled, "The American Legion in Washington: Dirty Jokes, Little Hats and a Bottle of Beer." Veteran groups visiting Washington from my district are outraged at this scurrilous attack on the integrity of their organization.

While the editors of the magazine admit that author Tom Kelly's personal involvement with any veteran's organization has been negligible, he nevertheless launches into a full-scale assault on the Legion and characterizes it as a group of bigoted Archie Bunkers.

This is a wholly unfair charge against an organization of 2,700,000 ex-GI's, sailors and marines whose only condition for acceptance to their membership rolls is that you have served your country honorably. The Legion is open to anyone, regardless of race, color, or religious doctrine. The groundless nature of Mr. Kelly's charge can be found in the large numbers of minority group members who belong to and work actively in the American Legion.

Contrary to the charge of the author that the American Legion in Washington—or anywhere else for that matter—is dedicated to "dirty jokes, little hats, and a bottle of beer," the Legion is still a strong organization dedicated to the principle of serving "God and country."

The American Legion, rather than taking up the cause of booze and bad jokes has, since its existence, worked to defend the Constitution, to maintain law and order, to foster Americanism, to preserve the memories of fallen comrades, to inculcate a sense of obligation to the community, State, and Nation, to combat autocracy, to make right the master of might, to promote peace and good will on

earth, and to safeguard the principles of justice, freedom, and democracy.

The most important principle of the legion is found in its efforts to consecrate and sanctify its comradeship and devotion to mutual helpfulness. Not being a member of the Legion, Mr. Kelly is not aware of the extent to which the Legion has translated these words into action.

It began a job placement program for Vietnam veterans 18 months before the Federal Government recognized the plight of the jobless GI. The Legion has a job program in every State of the Union, and has helped place thousands of Vietnam veterans.

The Legion has taken the lead in fighting the menace of drug abuse by assisting addicts and families of addicts, especially where veterans are involved.

The Legion's fighting to improve the GI bill to increase allotments to veterans for school needs, books, and subsistence.

This is an addition to the Legion's dedication to the youth of the United States sponsoring the oldest athletic program for young people in the country. It is also one of the largest sponsors of Boy Scout units in America.

Mr. Kelly's article is a disservice to the memory of fallen comrades in arms, past and present; it is an insult to the surviving veterans of Belleau Wood, Bastogne, Old Baldy, and Bac Lieu.

Mr. Speaker, as a veteran and as a member of the American Legion, I deplore such attempts at "humor" at the expense of this fine organization, and I ask members to join me in restating the faith this body has in the membership and in the future of the American Legion.

Thank you.

CONSTITUTIONAL AMENDMENT ON THE SCHOOL BUSING QUESTION REPRESENTS ONLY WAY TO SOLVE THE SCHOOL BUSING PROBLEM

(Mr. ABBITT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ABBITT. Mr. Speaker, I am firmly convinced that the current hearings before a subcommittee of the House Judiciary Committee are no more than a delaying tactic to stall the signing of our discharge petition on the antibusing resolutions. This is a calculated effort to lull our people into believing that forward progress is being made in dealing with this crucial issue when, in fact, the only way that we will get affirmative action is through a discharge petition.

It is vitally necessary that we quickly get before the House the proposed constitutional amendment on the school busing question. Each day of delay further complicates our problem and makes more uncertain the planning of school districts across the country which must know soon where they stand with respect to their operations next fall.

The only way we are ever going to reverse the trend toward a complete takeover of our public schools by the Federal courts and HEW is to put in the Constitution, in plain language, a

precise prohibition against forced busing to achieve racial balances in the public schools. I believe that if we get this matter before the full membership of both Houses, it can be approved and submitted to the States for ratification. If action is not taken now, the American people will become the victims of a gross injustice, the scale of which will be visible for many years to come. It is clear that many of the Federal judges are not going to use restraint in forcing busing—and it is equally plain that the executive agencies are not going to reverse their course. Thus, it is mandatory that Congress take the lead in protecting our public schools.

I strongly urge Members of the House to sign our discharge petition and not wait in vain for the Judiciary Committee to act. It is clear to me that unless we get this matter before the House prior to Easter, there is little likelihood that congressional action will be completed this year. Thus, the tactic of delay will effectively defeat our objectives. Hearings are sometimes useful in determining the views of the public but in this instance the overwhelming majority of our people are opposed to forced busing and this fact is unmistakably known. The people expect Congress to act and, in my opinion, if we fail to do so, we are remiss in our duty.

This is clearly the most pressing domestic issue before us today. Talk alone will not solve the problem. We must act and that action must come now—before it is too late.

MEYER SOKOLOW, PIKESVILLE, MD., SELECTED "OUTSTANDING MARYLAND VETERAN OF THE YEAR"

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr. Speaker, Meyer Sokolow, of Pikesville, Md., has been selected "Outstanding Maryland Veteran of the Year" by the Joint Veterans Committee of Maryland, representing the 90,000 members of the American Legion, Catholic War Veterans, Disabled American Veterans, Jewish War Veterans, Marine Corps League, Veterans of Foreign Wars, and the Veterans of World War I.

I was delighted to attend the testimonial dinner in Towson, Md., on February 24, at which the award was presented. Almost 500 people attended the dinner, including three national commanders; Jerome D. Cohen, of the Jewish War Veterans, Edward T. Conroy, of the Disabled American Veterans, and H. Lynn Cavin, of the Marine Corps League. Several past national commanders were speakers, including Walter D. Hyle, Jr. and Robert T. O'Leary of the Catholic War Veterans, Claude Callagary of the Disabled American Veterans, and Paul Wolman of the Veterans of Foreign Wars. Mr. Jack E. Dyke, chairman of the Joint Veterans Committee of Maryland was also a guest speaker.

Mr. Sokolow, a Korean war veteran, served as commander of the Star of David Post No. 292, Jewish War Vet-

erans; commander of the Jewish War Veterans, Department of Maryland; and chairman of the Joint Veterans Committee of Maryland. He is a member of the Hamilton Post No. 20, American Legion; and the Foreman-Okum Post No. 465, Veterans of Foreign Wars. He is also a member of the War Memorial Commission of Maryland.

Mr. Sokolow was national chairman on Aid to the People of South Vietnam for the Jewish War Veterans. Under his leadership, thousands of tons of clothing, soap, and medical supplies were sent to South Vietnam for distribution in the hamlets and villages.

Under the chairmanship of Mr. Sokolow, the Joint Veterans Committee of Maryland drafted the "Flag Bill," which became law. In 1971, Mr. Sokolow appeared before the Maryland Legislature to oppose the "Draft Dodger Bill."

Mr. Sokolow is the cochairman for public relations for radio and television for the American Legion, Department of Maryland, and is publicity chairman and legislative chairman for the Jewish War Veterans.

Mr. Sokolow has worked selflessly to promote patriotism and has devoted a large portion of his life to service to his country, his State, and his community. The Joint Veterans Committee of Maryland honors itself by honoring Mr. Sokolow as Maryland Veteran of the Year.

FARM PRICES ARE NOT EXCESSIVE

(Mr. MELCHER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, Clark E. Schenkenberger, editor of the Western Livestock Reporter, has written an interesting and informative article on the question of agricultural prices which deserves attention.

The plain fact is that farm and ranch prices are not excessive. Agricultural production costs are up 21 percent in the last 5 years alone. Food prices are up 19 percent since 1967; services are up 130 percent, but prices received by farmers and ranchers are up only 12 percent.

The parity ratio in 1971 was 69 while it was 74 in 1969. In other words, Mr. Speaker, the farmer is five points worse off in costs compared with prices since 1969.

The article by Mr. Schenkenberger follows:

[From the Western Livestock Reporter, Feb. 10, 1972]

OBSERVATIONS BY THE EDITOR

A couple of major T.V. news shows devoted some time last week to tell their viewing audiences about "how high meat prices are." Whether stuff like this is news or propaganda depends on your point of view.

There's no denying that prices all along meat trade channels have risen, but the way some commentators phrased it was a lot more detracting than what they actually said. To state that "cattle prices are the highest they've been in 20 years" is technically correct, but it would be more accurate to say "cattle prices have finally gotten back up to the levels they were 20 years ago." See the difference?

There's another angle to consider. While

the cattleman and feeder are getting all the news spotlights about the high price of meat, the intermediate processors who add up to 75 percent of the cost to the over the counter price escape unscathed.

Those spot news tapes failed to reveal any of this.

Over in Washington state for example, the economic impact of the intermediate or processing industries of food and fiber was well illustrated by a report from Dr. James Nielson. Commenting that Washington's total agricultural industry, including production and processing accounted for over \$3 billion of the state's economic output, he pointed out that slightly less than \$1 billion applied to production only.

In other words, two out of three dollars was generated by processing . . . a healthy, but partially hidden chunk.

Well, it's always easy to stamp an angry foot over unfair play, and cry foul. This is just what the detractors would expect.

Consumers have been bridled with the concept that when a price goes up, someone gets rich, or richer. We really accomplish little purpose in trying to toss the hot potato to the next guy.

Instead, we offer these facts with which you can arm yourselves, taken from the Better Beef Bulletin. If they don't convince or convert consumers, they may at least dull the edge of criticism.

1. In 12 years the American farmer has increased his production by 20 per cent on 6 per cent fewer acres.

2. Beef producers have topped the agricultural production figure by doubling beef production since 1960.

3. Basically, there are only 100,000 major beef producers in America, but they supply 114 pounds of top quality meat to every U.S. man, woman and child . . . or, each beef producer puts meat on 2,000 American tables twice each day.

4. Consumer spendable income has increased twice as rapidly as consumer food expenditures. Between 1960 and 1970 disposable income was up 71 per cent while food purchases were up only 38 per cent.

5. The per cent of disposable income spent on food has decreased from 20 per cent in 1960 to 16.6 per cent in 1970.

6. In 1951, one hour's labor could buy 1.7 pounds of beef . . . today one hour's work buys 3.3 pounds of higher quality beef.

THE QUESTION OF TAXPAYERS WITH INCOMES OF OVER \$100,000 NOT PAYING TAXES

(Mr. CONABLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. CONABLE. Mr. Speaker, there has been a great deal of exclaiming recently about a report that 112 taxpayers with adjusted gross incomes of \$200,000 or more in 1970 paid no income taxes. The cases were cited as evidence of the need for additional tax reform.

Some of us questioned the accuracy of this report, pointing out that the returns had not been audited and did not necessarily comprise invidious tax privilege. More adequate information was clearly needed.

The Treasury Department has now compiled more information on these individual cases and I would like to place it in the RECORD for all to examine. I believe this detailed report provides a more substantial basis on which to make a judgment on the need for tax reform.

The report follows:

THE DEPARTMENT OF THE TREASURY,
Washington, D.C., March 1, 1972.

HON. BARBER B. CONABLE, Jr.,
House of Representatives,
Washington, D.C.

DEAR MR. CONABLE: In response to your request, I am writing to set forth the information that we have developed to date with respect to individuals with adjusted gross incomes above \$200,000 for the year 1970 who showed no income tax due on their federal income tax returns for that year.

The information that there were 112 such individuals came from computer runs made from preliminary data extracted for statistical purposes in connection with the customary preparation by the Internal Revenue Service of its Statistics of Income series. The data is derived from a sample of some 500,000 of the approximately 75,000,000 individual income tax returns. The sample includes all returns filed that show adjusted gross income above \$200,000, and the information extracted from each return and fed into the computer shows, among numerous items, the amount of adjusted gross income reported and the federal income tax shown on the return to be payable. It is thus a routine matter, as a part of other analyses of data, to run the computer to identify the number of returns with adjusted gross income above \$200,000 which reported no tax due.

This statistical data is preliminary, however, and is customarily reviewed before publication of final data for the year.

Moreover, I should point out that this data is taken from the returns as filed by the taxpayers before audit of the returns by the Internal Revenue Service. I understand that at least 58 of these returns are already under audit by the Service or have been assigned for audit. We have now received in the Treasury copies of all the returns, and it appears likely that tax will be collected on a number of the returns after audit.

The Tax Reform Act of 1969 took effect, in general, as of January 1, 1970, although some of its provisions become effective gradually over a period of years. It is significant to note, therefore, that:

(a) There was a substantial decrease between 1969 and 1970 in the number of nontaxable returns with adjusted gross income above \$200,000—from 300 to 112.

(b) The percentage which those 112 nontaxable returns bore to the total number of returns with adjusted gross income above \$200,000 dropped from 1.6% in 1969 to 0.7% in 1970. (There were some 18,000 returns with adjusted gross incomes above \$200,000 in 1969 and some 15,000 in 1970.)

(c) The total adjusted gross income on non-taxable returns with adjusted gross income above \$200,000 dropped from \$279 million to \$46 million less than 17% of the 1969 total.

(d) The number of nontaxable returns with adjusted gross income above \$1,000,000 dropped from 52 in 1969 to 3 in 1970.

Of the 112 returns listed preliminarily, examination of copies of the returns show that inadvertently 8 were erroneously so classified:

Paid a "minimum tax" under 1969 Act . . .	2
Paid income tax under Sec. 962 (permitting individuals under certain circumstances to pay corporate income tax instead of individual income tax on certain types of foreign income) . . .	1
Delinquent returns for prior year (not subject to 1969 Act) . . .	3
Returns with net operating loss carried over from prior year . . .	1
Duplicate return . . .	1
	8

Of the remaining 104 returns, 6 returns paid substantial income tax to foreign countries, mostly on salaries, for which credit is allowable against U.S. income tax.

On the remaining 98 returns, the principal deduction against adjusted gross income resulting in no tax was as follows:

State income tax—12.

Review of the returns before audit indicates that this is likely due to payments in 1970 by cash basis taxpayers of state income tax for 1969 or prior years. For example, a person having a large capital gain or other non-recurring income in 1969 generally can pay the state income tax on that 1969 income when he files his state return for 1969 in the spring of 1970, in which event that state tax is deductible on the cash basis of accounting in his 1970 federal income tax return. The state tax on large non-recurring 1969 income may offset all or a substantial part of the taxpayer's lower 1970 income.

Also, if on audit of his state returns for prior years the taxpayer paid additional state taxes for those years in 1970, he might have a very substantial deduction for state taxes in 1970. It is also possible that he could have paid in 1970 state taxes on 1970 income that is not subject to federal income tax, such as interest on state and local bonds, but it does not seem from a review of the copies of the returns that the large deductions were caused by that circumstance.

Charitable contributions—13.

Only 2 of these returns showed contributions above the 50% maximum generally permitted, and one of these was a return for a fiscal year ending in 1970, which was not subject to the 1969 Act. In 1966 there were 49 nontaxable returns with adjusted gross income above \$200,000 that took the "unlimited" charitable contribution deduction, which was ended by the 1969 Act.

Interest expenses—54.

In many cases interest is incurred as an expense of borrowing money for investments which produce current ordinary income. If the interest paid is high in relation to the income received, this may result in returns showing high adjusted gross income but no net taxable income; this may reflect simply a failure by the taxpayer to earn a net profit on his investment, as in the case of a business that borrows money, pays interest to its creditors, and has no net profit after paying the interest.

Where the taxpayer's interest paid substantially exceeds his investment income, however, the 1969 Act included the excess among the preferences subject to the minimum tax for the years 1970 and 1971; and indications are that as a result of that provision in the 1969 Act, a number of these returns will be subjected to the minimum tax on audit. For 1972 and subsequent years, investment interest paid that exceeds by more than \$25,000 the taxpayer's investment income will generally be disallowed under the Tax Reform Act of 1969.

Some of the interest claimed as personal deductions on the 1970 returns may properly be classed as business items, but the interest deduction was shown by the taxpayer as a non-business item on his return. The place at which the interest deduction was reflected on the return might be immaterial if no tax is due.

MISCELLANEOUS DEDUCTIONS

Loss of securities pledged as collateral for loans . . .	3
Gambling losses . . .	1

(Gambling losses are deductible against gambling gains; this return merely reports miscellaneous gambling income above \$400,000 and a deduction for an identical amount of miscellaneous gambling losses for the year.)

Investment expense other than interest	7
Theft casualties	2
Sundry (bad debts; payments in settlement of litigation, etc.)	6
	19

A number of these deductions involve large sums and some involve unusual transactions. On audit of the returns the deductions may be disallowed or reduced, or they may be treated as capital losses, which may be deducted only against \$1,000 of income other than capital gains.

Respectfully yours,

EDWIN S. COHEN.

VETERANS DAY AND MEMORIAL DAY

(Mr. QUILLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUILLEN. Mr. Speaker, yesterday I introduced H.R. 13455 to amend title 5 of the United States Code with respect to the observance of Memorial Day and Veterans Day. My purpose in introducing this bill is to restore tradition and patriotic significance to these days by celebrating Veterans Day on November 11 and Memorial Day on May 30.

There are two holidays firmly fixed in the minds of veterans and American citizens, and for the generation now living will remain days of inspiration and reverence.

Armistice Day, November 11, and Memorial Day, May 30, have a significance which represent something because they carry a message. They are more than just a day set aside by the Congress to pay tribute to a subject, or to provide a holiday for observance for recreation.

Armistice Day, November 11, represents the observance of the signing of the Armistice at the close of World War I. This day on the calendar acknowledges victory over an enemy, a day when the lights literally went on again all over Europe and the British Isles. It represents the day hostilities ceased after more than 4 years of mortal conflict between the Allied and Axis Powers, in which more casualties resulted in one battle than any battle in the history of warfare. Armistice Day is observed by all nations who participated in the war of 1914-18 except, the United States of America. We observed it for a half century even though the name was changed to Veterans Day; this change caused a loss of significance. Finally Armistice Day was officially abolished altogether by an act of Congress and another day selected as Veterans Day. This has not changed the thinking of our citizens who remember Armistice Day. Some States refused to go along with the change, other States are taking State action to restore November 11 as the day to observe, for it has a special meaning.

November 11, 1971, is an example. That year October 25 was selected as Veterans Day. It had no meaning and observances were sparsely attended. However, throughout the Nation November 11 was observed by about two-thirds of the States of the Union by veterans organizations. It is true these were motivated by the veterans of World War I, yet the veterans of subsequent wars participated

with the feeling that, irrespective of another day having been selected by the Congress for observance, November 11 was the day for this observance. This was highlighted at Arlington National Cemetery when—the other day was officially observed—the Veterans of World War I of the U.S.A., Inc., held their annual observance of Armistice Day, which had been held at the Tomb of the Unknown Soldier for the past 50 years, and the President of the United States joined in the observance, placing the traditional wreath before the Tomb of the Unknown Soldiers. The Veterans of World War I are deeply grateful for this gesture by the President, and feel that it was, and is, a reflection of the sentiment of the Nation.

Going farther back in history to the beginning of our observance of Memorial Day. It was in the small town of Grafton, W. Va., soon after the close of the war between the States that May 30 was set aside for a day of memory, some time before the official proclamation of May 30 as Memorial Day. The spirit of remembrance has become so engrafted into our thinking that when we think of Memorial Day, May 30 instantly comes to mind. An observance so instilled in our thinking is and will be continued by our people in spirit regardless of another day being selected as Memorial Day.

The Veterans of America, those who have given of their time and many of whom have given of their bodies in the protection of this Nation, feel that the traditional observance of Memorial Day is of more importance than picking a day to suit commercial interests.

For these reasons the veterans and others of these United States feel that they have been deprived by statute of days of observance which have throughout the years contributed to the esprit de corps of our uniform services. The mere selection of days of the calendar to observe important events of our national life, do not meet the requirements conducive to patriotism so necessary to our national life.

FUNDS FOR EDUCATION

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 60 minutes.

Mr. MICHEL. Mr. Speaker, once again our subcommittee on Labor/HEW of the House Appropriations Committee is engaged in hearings on the annual budget for those two Departments, and presently we are hearing testimony on the education portion of that budget. As usual those of us on the subcommittee are hearing from many individuals and groups who feel that the Federal Government is not providing adequate funds for the education of our children. I suppose there are some who will never be satisfied even if we were to provide funds in excess of what they may be suggesting for their own particular pet projects or for the education budget as a whole.

I have completed an exhaustive and comprehensive study of the budget requests for education programs for fiscal year 1973, and this demonstrates conclusively that a great deal of money will

be available for the many education programs which have been established through the years at the Federal level. If the budgetary recommendations are followed by the Congress, these programs will receive \$11,712,557,000 in fiscal year 1973.

Certainly, those of us who are charged with the responsibility of appropriating these funds should not be expected to simply meet the requests of the education lobby without any serious questioning of the figures, rather we have the responsibility of trimming the fat from these various items in an effort to see to it that the taxpayers get their money's worth in better schooling for their children.

The bulk of the nearly \$12 billion that the budget recommends for education will go to the Department of Health, Education, and Welfare, with substantial amounts being earmarked for the Veterans' Administration and the Departments of Labor, Interior, and Housing and Urban Development. A scrutiny of the study, which I will insert in the RECORD at the conclusion of my remarks, will show that the various programs cover just about everything and everybody in the field of education.

Money will be provided for children in grade school, for teenagers in high school, for young people in colleges and universities, and for adults who need vocational training or retraining. Money will be furnished for educating physicians, dentists, and nurses, for teaching and training returning soldiers, as well as the widows and orphans of those who died in their country's service. Both the handicapped and the gifted will be aided, along with the economically disadvantaged and the culturally deprived. Indians on reservations will be educated. Inmates of penal institutions will be trained so they will be qualified for honest work when they resume their places in society.

The billions which the budget obligates for education will provide school buildings, textbooks, teachers, scholarships, dormitories, and numerous other items. Hardly anything has been overlooked.

Mr. Speaker, I respectfully recommend that those who feel that education is being shortchanged take a close look at the compilation which I am placing in the RECORD. After they have familiarized themselves with it, I will welcome and appreciate their suggestions.

The compilation follows:

FUNDS APPROPRIATED TO THE PRESIDENT APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS [In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Vocational education facilities	19,224	33,277	25,500

Grants are made to States and local districts within the Appalachian region for the construction and equipment of vocational education facilities in Appalachia, and in limited cases for operation and demonstrations in Appalachia. Vocational education facilities are key

elements for the training and upgrading of potential and existing labor force entrants in skills required in commercial and other vocations. Grants are administered through the Office of Education.

OFFICE OF ECONOMIC OPPORTUNITY

ECONOMIC OPPORTUNITY PROGRAM

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Followthrough.....	48,151	35,000	-----

This is an experimental compensatory education program designed to develop and test new ways to educate disadvantaged children in the early primary grades. The parents, the community, and the resources at the school are brought together in programs to meet the child's instructional, physical, and psychosocial needs.

PHILIPPINE EDUCATION PROGRAM

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Assistance to students.....	605	-----	-----
Land reform education.....	-----	1,282	-----

Under an amendment to the Philippine war damage legislation of 1963, a special fund, \$28,100,000, for education derived from the Philippine war damage claims fund was established in 1966 to be used as jointly determined by the two Presidents for the purpose of furthering educational programs to the mutual advantage of both countries. Projects totaling \$26,800,000 have been approved to support various educational projects in the Republic of the Philippines. It is anticipated that the balance of the funds will be utilized in 1972.

DEPARTMENT OF AGRICULTURE—EXTENSION SERVICE

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Payments for cooperative extension work under the District of Columbia Public Education Act....	672	768	768
Advances and reimbursements:			
Cooperation with Department of Defense on extension program work in rural defense information and education program....	134	443	305
Teaching materials developed and provided State extension services under cooperative agreement on a cost-sharing basis.....	32	75	78
Forest Service permanent appropriations:			
Payments to school funds, Arizona and New Mexico.....	84	69	75

The States of Arizona and New Mexico are paid a share of the national forest receipts for school purposes.

DEPARTMENT OF DEFENSE—CIVIL—THE PANAMA CANAL

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Canal Zone Government, operating expenses:			
Civil functions: education.....	16,221	16,454	17,429

This provides for the operation of schools, kindergarten through college, for the dependents of Canal Zone residents, the dependents of U.S.-citizen Government employees residing in the Republic of Panama, and, on a space available basis, certain other residents of the Republic of Panama. There are two school systems; one for U.S. citizens, the other, which is conducted in the Spanish language, for Panamanians and other non-U.S. citizens. There are specialized facilities for the handicapped.

CAPITAL OUTLAYS—CIVIL FUNCTIONS—EDUCATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Improvements and replacements to educational facilities.....	223	569	1,060

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Mental health			
Manpower development:			
Training grants and fellowships....	98,406	120,050	105,050
Direct operations.....	4,561	10,353	9,141
Total.....	102,967	130,403	114,191

Training grants and fellowships. Training grants are made in the key mental health disciplines such as psychiatry, behavioral sciences, psychiatric nursing, and social work, as well as in auxiliary and related areas. In 1973, the Institute will support a total of 1,700 awards with priority consideration to training programs which stress child mental health, crime and delinquency, alcoholism, and drug abuse, and training of mental health paraprofessionals. Fellowships are awarded to individuals who are committed to research careers relative to mental health and who propose to undertake fulltime research training. A total of 657 fellowships will be supported in 1973.

Direct operations. The funds in this subactivity support Institute staff who are responsible for planning and administration of the national mental health manpower program, including mental health manpower studies and the development of training programs for paraprofessionals. Contracts to train individuals to work with drug abusers will be supported. A portion of the funds also supports a program for training psychiatrists for careers in the Federal Government.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Grants:			
Fellowships.....	4,067	3,548	4,750
Training.....	11,807	12,874	15,750

Fellowships. Approximately 224 post-doctoral and special fellowships will be

supported in 1973 as compared to 151 in 1972 and 191 in 1971. Also, some 100 career award and career development fellowships will be supported in 1973 as compared to 78 in 1972 and 82 in 1971.

Training. Grants are awarded to accredited schools for the improvement of instruction in the curriculum; clinical training grants are awarded for training in such fields as surgery, pathology, radiobiology, radiotherapy, and internal medicine; and grants are awarded to research training centers for individual traineeships. The following table summarizes those grants:

	1971 actual	1972 estimate	1973 estimate
Graduate training.....	86	90	102
Cancer clinical training.....	85	102	113

NATIONAL HEART AND LUNG INSTITUTE

In thousands of dollars

	1971 actual	1972 estimate	1973 estimate
Grants			
Fellowships.....	5,094	7,371	7,371
Training.....	15,630	17,643	17,643

Fellowships. Approximately 345 awards will be supported in 1973 as compared with 345 in 1972 and 340 in 1971.

Training. Funds will provide for 250 grants for cardiovascular and pulmonary research and clinical training for 1,000 trainees. Comparable numbers of grants and trainees are 365 and 996 in 1972, and 366 and 1,000 in 1971. The pulmonary academic award was instituted in 1971 to four trainees. It will be continued at this level in 1972 and expanded to 60 trainees in 1973.

NATIONAL INSTITUTE OF DENTAL RESEARCH

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Grants			
Fellowships.....	1,455	1,601	1,601
Training.....	5,225	5,270	5,270

Fellowships. Funds for fellowships are used for support of clinical and basic research training. Applications under this program are for special fellowships, post-doctoral fellowships, and career development and career awards. In 1973, 91 fellowships will be supported compared with 96 in 1972 and 95 in 1971.

Training. Training funds are the principal means of meeting the need for dental research and academic personnel in the dental schools to teach clinical and basic sciences, and to conduct research. Increased costs per grant will make it necessary to support only 81 grants in 1973, compared with 85 in 1972 and 93 in 1971.

NATIONAL INSTITUTE OF ARTHRITIS AND METABOLIC DISEASES

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Grants			
Fellowships.....	5,470	5,740	5,740
Training.....	15,060	15,072	15,072

Fellowships. Approximately 323 fellowships will be supported in 1973 as compared to 342 in 1972 and 357 in 1971.

Training. During 1973 it is estimated that 246 grants will be awarded to accredited schools for the improvement of instruction. This compares to 260 grants in 1972 and 276 grants in 1971.

NATIONAL INSTITUTE OF NEUROLOGICAL DISEASES AND STROKE

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	2,523	2,782	2,782
Training.....	12,696	14,300	14,300

Fellowships. Approximately 147 fellowships will be supported in 1973 compared to 148 in 1972 and 190 in 1971.

Training. Approximately 187 graduate training grants will be supported in 1973 compared to 198 in 1972 and 221 in 1971. These grants are made to training institutions to establish and improve programs to train teachers and clinical investigators in neurology and otology. Also, approximately 144 traineeships will be awarded to individuals for specialized postgraduate training in 1973 compared to 153 in 1972 and 195 in 1971.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	3,291	3,579	3,579
Training.....	8,323	8,922	8,922

Fellowships. Funds for fellowships are used to train professional researchers in research areas within the categorical interests of the Institute. The program supports postdoctoral, special, career development fellowships, and career awards. An estimated 206 awards will be made in 1973 and 1972, compared to 205 actual awards in 1971.

Training. Funds in 1973 will provide approximately 153 grants to train 918 individuals in allergy and immunology and infectious diseases in 1973 and 1972, compared to 151 grants and 906 individuals in 1971.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	16,951	15,609	15,609
Training.....	43,746	43,746	43,746

Fellowships. Approximately 1,085 fellowship awards will be made in 1973 as compared to 1,221 in 1972 and 1,735 in 1971.

Training. Approximately 467 grants and 3,952 trainees will be funded in 1973 as compared to 468 grants and 4,160 trainees in 1972 and 521 grants and 4,360 trainees in 1971.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	4,471	3,786	3,786
Training.....	13,867	10,142	10,142

Fellowships. Approximately 210 awards will be supported in 1973 as contrasted to 214 in 1972 and 220 in 1971.

Training. In 1973 the Institute will support approximately 98 training grants. This compares with 99 anticipated for 1972, and 112 supported in 1971.

NATIONAL EYE INSTITUTE

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	1,058	1,676	1,676
Training.....	2,819	2,998	2,998

The fellowship program supports the national vision research effort through the provision of postdoctoral research training to individual investigators working on problems of visual health. Awardees receive training in the wide variety of scientific disciplines associated with vision research. Approximately 101 fellowships will be awarded in 1973 as compared to 101 in 1972 and 88 in 1971.

TRAINING

Training grants are awarded to academic institutions for the establishment, improvement, or expansion of vision research training programs. The grants provide sophisticated training environments for more advanced investigators who wish to pursue academic careers in vision research. Approximately 42 training grants will be awarded in 1973 as compared to 45 in 1972 and 48 in 1971.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	240	264	264
Training.....	3,233	3,117	3,117

Fellowships. Approximately 17 awards will be supported in 1973 as compared to 17 in 1972 and 18 in 1971. Under the fellowship program, postdoctoral, special, and research career development awards are made to physicians and scientists for training in the field of environmental health sciences.

Training grants. Approximately 30 grants will be supported in 1973 as compared to 35 in 1972 and 42 in 1971. The graduate research training program supports the availability of high quality training opportunities in environmental health. It has a threefold goal: To increase the number of highly qualified scientists primarily concerned with en-

vironmental health; to enable training institutions to strengthen and enrich the research training capabilities; and to expand opportunities for environmental health research training in a greater number of the graduate institutions throughout the United States.

RESEARCH RESOURCES

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	146	126	126
Training.....	387	352	352

Fellowships. Approximately 14 fellowships will be supported in 1973, the same as 1972 and 1971.

Training. Grants are awarded to institutions to support training in the field of laboratory animal medicine. Approximately eight training grants will be supported in 1973 as compared to nine in 1972 and 1971.

JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN THE HEALTH SCIENCES

[In thousands of dollars]

Grants	1971 actual	1972 estimate	1973 estimate
Fellowships.....	1,076	1,618	1,497
Fogarty scholarships.....	170	270	270

Fellowships. Approximately 142 fellowships will be supported in 1973 as compared to 154 in 1972 and 122 in 1971. In addition, funds are provided for scientific evaluation.

Fogarty scholarships. Eight scholars will be supported in 1973, as compared to eight in 1972 and eight in 1971.

[In thousands of dollars]

Health manpower	1971 actual	1972 estimate	1973 estimate
Health professions support.....	325,934	452,116	391,818
Dental health.....	10,953	11,850	12,700
Nursing support.....	55,911	175,911	132,783
Public health support.....	15,565	20,383	21,609
Allied health support.....	22,977	31,954	35,600
Program direction and manpower analysis.....	4,511	6,698	8,530
Total program costs, funded.....	435,851	698,912	603,040
Change in selected resources.....	-63,826		
Total obligations.....	372,025	698,912	603,040

The 1973 decline in total obligations stems from technical adjustments in advance obligational authority.

Health professions support. The objective of alleviating the shortages of professional health manpower is pursued by providing financial assistance to health professions institutions and their students. This assistance is provided through four mechanisms:

Institutional support. Institutional assistance is provided through several programs. Capitation grants are awarded on a formula basis to health professions schools in order to strengthen their base of financial support, thereby encouraging increases in enrollments and graduates, and improving the quality of their edu-

cational programs. Startup grants to new medical, osteopathic, and dental schools are intended to accelerate the date instruction begins or increase the number of students in the entering class. Conversion grants will be awarded to 2-year schools that desire to become degree-granting institutions. Special project grants supply broad-range assistance to schools with potential to increase enrollments as well as to enable schools to experiment with programs designed to increase the quality of trained personnel. Financial distress grants help alleviate the difficulties of schools in serious financial straits. The numbers of schools receiving support are:

	1971 actual	1972 estimate	1973 estimate
Capitation:			
Medical and osteopathic.....	115	115	121
Dental.....	52	52	56
Other health professions.....	101	108	109
Special project:			
Medical and osteopathic.....	62	75	75
Dental.....	6	21	20
Other health professions.....		10	10

Included in this category are health manpower education initiative awards which are intended to help achieve special national health manpower goals.

Student assistance. Health professions scholarships and loans enable deserving but financially needy students to pursue their education. Scholarships and loans are awarded to students who, in the judgment of the schools, have exceptional financial need. The numbers of recipients are:

	1971 actual	1972 estimate	1973 estimate
Scholarships:			
Medical and osteopathic.....	8,430	8,400	8,040
Dental.....	3,500	3,300	3,015
Other health professions.....	6,325	6,300	5,695
Loans:			
Medical and osteopathic.....	10,859	13,100	14,040
Dental.....	4,077	4,800	5,265
Other health professions.....	7,506	9,100	9,945

Construction. Grants are made to public and other nonprofit schools, agencies, and organizations for the construction of health professions and nursing teaching facilities and of multipurpose and graduate facilities. In 1972 and 1973, construction assistance will be in the form of both matching grants and interest subsidy payments on guaranteed loans.

Educational grants and contracts and direct operations. Support is focused on innovation and experimentation in medical education as well as scientific evaluation proposals.

Dental health. Programs administered by the Division of Dental Health are oriented to a full-range of dental health efforts, including activities directed toward increasing and improving the dental manpower supply, support for projects concerned with the control of dental diseases, and provision of high-quality dental services through the improvement of delivery systems.

Dental fellowship grants are awarded to candidates pursuing advanced degrees in public health administration, computer technology, bioengineering, dental

health delivery systems, dental economics, and education research. In 1973, 11 fellows will be supported, the same number as supported in 1972. Dental research training grants support students working in the areas of oral epidemiology, dental education, and sociology in dental public health. Five grants will be supported in 1973 for continuing education systems which deliver new knowledge to the practicing dentist and dental assistant. The current dental auxiliary utilization program, designed to teach students the effective utilization of a chairside assistant has produced a more productive practitioner; financial support for this current program continues to undergo gradual withdrawal and be redirected to a program which will provide dental students with training in expanded functions and expanded auxiliary management—the team concept of clinical dentistry. This new approach should expand productivity considerably.

Nursing support. Nurses are an essential element in providing the manpower necessary for the delivery of adequate health care. At present, registered nurses are in short supply. Financial assistance is provided to nursing institutions and students through the following programs:

Institutional support. Funds are included for capitation grants which will provide assistance to approximately 1,100 schools of nursing in 1973. Special projects for the improvement of nurse training provide the impetus for schools to initiate new methods in nursing education designed to improve the quality and increase the number of nurses available in the Nation. Funds requested for 1973 will support approximately 250 projects in such areas as utilization of faculty, methods of instruction, curriculum revision, and enrollment increases. Major emphasis will be placed on projects for the development of programs to prepare nurses to assume expanded functions and responsibilities in the provision of health care. Financial distress grants assist schools in meeting operational costs required to maintain quality educational programs and accreditation requirements. Funds requested in 1973 will support approximately 20 schools in serious financial straits. Startup grants provide training programs where they are most needed and utilize existing resources wherever possible to increase the numbers trained. Funds requested in 1973 will provide for the establishment of an estimated 20 new nurse training programs.

Student assistance. Nurse scholarships and loans encourage and assist qualified young people with serious financial need to undertake education for nursing. Numbers of recipients are:

NURSING STUDENTS

	1971 actual	1972 estimate	1973 estimate
Scholarships.....	17,000	19,500	19,500
Loans.....	24,000	30,000	26,000

Traineeships support the graduate and specialized preparation of professional

nurses as teachers, administrators, and supervisors. Funds requested in 1973 will provide approximately 2,000 long-term traineeships. In addition, 750 nurses will receive short-term intensive training.

Construction. Grants are made to public and other nonprofit schools, agencies, and organizations for the construction or renovation of teaching facilities for nurses. The 1973 request includes an increase of \$800,000 for interest subsidy payments.

Educational grants and contracts and direct operations. Educational research projects in such areas as nursing practice are supported and result in modifications to and development of nurse educational and training programs. Funds requested in 1973 will support 40 nurse research projects. A nurse-scientist graduate training grant program advances nursing and other health-related research by increasing the number of research scientists with a nursing background. Funds requested in 1973 will support science departments in nine universities. Nursing fellowship grants are awarded to prepare professional nurses for independent research, to collaborate in interdisciplinary research, and to direct community health research. In 1973, 120 fellows will be supported. Recruitment grant and contract funds broaden the recruitment base of nursing students by identifying potential nursing candidates and encouraging them to undertake nurse training. The \$2,000,000 for this program will support approximately 20 recruitment projects.

Public health support. Changes in the concepts of health services have created needs for new types of public health personnel when existing types are already in short supply. The following mechanisms are currently being used in an attempt to alleviate the shortages:

Institutional support. Formula grants are awarded to accredited schools of public health for the purpose of assisting them in providing comprehensive professional training, specialized consultative services, and technical assistance in public health fields and in public health administration at the State and local levels. Project grants for graduate training in public health are awarded to schools of public health and to other public or nonprofit private institutions to strengthen or expand the graduate or specialized training in public health which they provide. In 1973, the number of grants awarded will increase by over one-third, reaching a total of 120 and including an estimated 40 first-year projects.

Student assistance. Traineeships support the graduate and specialized preparation of students in public health, most of whom are employed by State and local health agencies representing such health disciplines as medicine, dentistry, nursing, and engineering. Types of training included are postprofessional, long-term academic training; short-term training to update the skills of current public health professionals; residency training in preventive medicine and dental public health; and apprenticeships for medical and dental students in pub-

lic health training. An estimated 450 additional trainees will be supported in 1973.

Direct operations. Grants programing will emphasize consultation with schools and professional organizations which can most readily utilize resources affecting priority areas of nutrition, maternal and child health, and preventive services to people in disadvantaged situations.

Allied health support. More general use of allied health workers in this country requires more efficient utilization of our present training capacities and experimentation with, and development of, new and improved ways of training and using these personnel. The following mechanisms are directed to these ends:

Institutional support. Special improvement grants will be made to allied health training centers offering the greatest comparative potential for expansion of allied health manpower output through enrollment increases in established curriculums, planning and establishing new programs, shortening curriculums, and developing coordinated programs to conserve faculty and facilities. Some 40 more allied health training centers will be brought into participation in this program through new awards.

Student assistance. Traineeships support students preparing to teach or to serve in an administrative, supervisory, or specialist capacity in the allied health disciplines. Funds requested in 1973 will continue long-term and training institute assistance to approximately 3,000 students.

Educational grants and contracts and direct operations. Funds are requested for special project grants in 1973. Efforts will continue to provide awards for developing, demonstrating, or evaluating interdisciplinary training programs; new teaching methods; new types of health manpower; equivalency and proficiency-testing mechanisms; and special programs to reach special groups such as returning veterans with experience in a health field.

Program direction and manpower analysis. The Bureau of Health Manpower Education guides, supports, plans, and evaluates health manpower programs; designs proposals for new or revised programs; coordinates improved manpower data gathering, statistical, and reporting activities; and maintains an inventory of all health manpower educational programs in the Nation.

HEALTH PROFESSIONS EDUCATION FUND

(In thousands of dollars)

Interest.....	3,844	3,622	3,623
Loan cancellations.....		374	223
Total obligations.....	3,844	3,996	3,846

Title VII, part C, of the Public Health Service Act established a revolving fund from which health professions schools could borrow in order to provide loans to their students. The Allied Health Professions Personnel Training Act of 1966 amended the Public Health Service Act to authorize the Federal Government to

pay the difference between the interest paid by students to the schools and the interest payable by the schools to the Government National Mortgage Association and the Treasury.

In 1973, provision is made for the following Federal payments:

The sum of \$130,000 to GNMA, which represents the difference between the 5.25 percent interest rate earned by the student loan paper and the 6.38 percent rate paid by GNMA on the \$11,500,000 worth of paper held by the public.

The sum of \$604,000 to GNMA, which represents the 5.25 percent interest due on \$11,500,000 worth of paper held by the public.

The sum of \$1,170,000 to the U.S. Treasury on the difference between U.S. Treasury interest rate and that paid by the schools on \$18,718,000 loaned to the schools.

In addition, \$223,000 will be paid to health professions schools for loan cancellations under the Public Health Service Act. These loans are canceled by either the death or permanent and total disability of the borrower or the borrower's willingness to serve in an area designated by the Secretary.

NURSE TRAINING FUND

(In thousands of dollars)

	1971 actual	1972 estimate	1973 estimate
Interest.....	2,597	2,391	2,453
Loan cancellations to schools.....		951	894
Total obligations.....	2,597	3,342	3,347

Title VIII, part B, of the Public Health Service Act established a revolving fund from which schools of nursing could borrow in order to provide loans to their students. The Allied Health Professions Personnel Training Act of 1966 amended the Public Health Service Act to authorize the Federal Government to pay the difference between the interest paid by students to the schools and the interest payable by the schools to the Government National Mortgage Association and the Treasury.

In 1973, provision is made for the following Federal payments:

The sum of \$40,000 to GNMA, which represents the difference between the 5.25-percent interest rate earned by the student loan paper and the 6.38-percent rate paid by GNMA on the \$3,500,000 worth of paper held by the public.

The sum of \$184,000 to GNMA which represents the 5.25-percent interest due on \$3,500,000 worth of paper held by the public.

The sum of \$755,000 to the U.S. Treasury on the difference between U.S. Treasury interest rate and that paid by the schools on \$12,081,000 loaned to the schools.

In addition, \$894,000 will be paid to schools of nursing for loan cancellations under the Public Health Service Act. These loans are canceled by either the death or permanent and total disability of the borrower or the borrower's willingness to serve in an area designated by the Secretary.

OFFICE OF EDUCATION—ELEMENTARY AND SECONDARY EDUCATION

(In thousands of dollars)

	1971 actual	1972 estimate	1973 estimate
Aid to school districts:			
Educationally deprived			
children.....	1,499,861	1,597,500	1,597,500
Supplementary services.....	143,210	146,393	146,393
Library resources.....	79,990	90,000	-----
Equipment and minor remodeling.....	49,598	50,000	-----
Dropout prevention.....	9,490	10,000	-----
Bilingual education.....	24,944	35,000	-----
Follow through.....	-----	60,060	-----
Strengthening State departments of education.....	29,750	33,000	43,000
Planning and evaluation.....	8,750	3,825	-----
Total obligations.....	1,845,593	2,025,778	1,876,893

Aid to school districts. Educationally deprived children. Grants are made to local educational agencies to provide supplemental services for children from low-income families. In addition grants are made to State education agencies for handicapped children, dependent and neglected children, and orphans and juvenile delinquents in State institutions and for children of migratory workers. In 1971, two new areas of this program were initiated, incentive grants to 30 States putting forth a greater effort than the Nation as a whole in public support for elementary and secondary education and special grants for urban and rural schools serving areas with the highest concentrations of children from low-income families. In 1973, comparable State and local expenditures will be required within school districts as a criteria for eligibility for receipt of these funds. It is estimated that 7,900,000 children will receive benefits in 1973 with greatest emphasis being placed on preschool and elementary school children from attendance areas with high concentrations of children from low-income families. Priority for the disadvantaged will be continued under education revenue sharing.

Supplementary services. The Elementary and Secondary Education Amendments of 1969 consolidated the separate authorities for all supplementary services grants under title III of the Elementary and Secondary Education Act. Under this consolidated authority grants are made to States for developing programs which serve as models for improving and supplementing the regular school curriculum and programs designed to improve testing and guidance and counseling services in public and private elementary and secondary schools. In 1971, over 1,000 projects aided some 14,000,000 students. This program will be included in education revenue sharing to give States and local school systems greater flexibility in the use of education funds.

Library resources. Funds for this program have been transferred to the library resources account.

Equipment and minor remodeling. Grants were made to States on a matching basis for equipment and minor remodeling of laboratory or other space suitable for use in providing education in public elementary or secondary schools while loans were made to private non-profit schools for similar uses.

It is proposed that these grants be terminated in 1973. Schools and States

will have greater flexibility to determine the appropriate mix of equipment and other school resources under Federal grants for educationally deprived children, grants for vocational education, grants for education of the handicapped, and other Federal programs focusing on broad problem areas.

Dropout prevention. Funds for this program have been transferred to educational renewal.

Bilingual education. Funds for this program have been transferred to educational renewal.

Follow Through. Funds for this program have been transferred to educational renewal and salaries and expenses.

Strengthening State departments of education. Grants are made to stimulate and assist States in strengthening the leadership resources of their education agencies by assisting them in the establishments and improvement of programs to identify and meet their educational needs. A new program is being initiated in 1973 to provide financial assistance to State and local educational agencies for the purpose of planning in preparation for education revenue sharing. This program will be included in education revenue sharing to give States greater flexibility in the use of Federal education funds.

Planning and evaluation. Funds for this program have been transferred to educational renewal.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Maintenance and operations..	536,068	592,580	415,000
Construction.....	24,877	25,036	24,304
Total obligations.....	560,945	617,616	439,304

Maintenance and operations. Payments are made to assist in the operation of schools in areas where enrollments are affected by Federal activities. In 1972 payments were based on almost 2½ million federally connected children and made to local school districts educating over half of the Nation's public elementary and secondary school children. In addition, the full cost of education is provided for children residing on Federal property where no State or local educational agency is able, because of State law or for other reasons, to provide suitable free public education to such children. For 1973, appropriation language is proposed to concentrate payments on those children whose parents both live and work on Federal property and on the children of military personnel and Indians who either live or work on Federal property. A provision is also added so that more heavily impacted districts will not be adversely affected. The major portion of this program will be included in the education revenue sharing program.

Construction. Payments are made to assist in the construction of schools in areas where enrollments are affected by Federal activities. For 1973, appropriation language is proposed to fund local agencies that have been unfunded in recent years, that have the most pressing construction needs as a result of in-

creased military activity and housing, and that provide assistance for children residing on Indian lands. A major portion of this program will be included in the education revenue sharing program.

EMERGENCY SCHOOL ASSISTANCE

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Project grants.....	70,697		
Federal administration and evaluation.....	3,204		
Total obligations.....	73,901		

The Office of Education provides emergency financial assistance to elementary and secondary schools and nonprofit organizations to aid in solving the problems associated with desegregation. The assistance is provided on a project grant basis for local education agencies implementing desegregation plans under Federal court order, or plans approved under title VI of the Civil Rights Act. A program to provide similar assistance is proposed for later transmittal, pending enactment of the emergency school assistance legislation which would authorize grants to support the establishment and maintenance of stable, quality integrated schools and elimination or prevention of minority group isolation in schools throughout the Nation.

EDUCATION FOR THE HANDICAPPED

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
State grant program.....	33,973	37,500	37,500
Special target programs.....	15,481	20,800	32,493
Innovation and development.....	11,079	11,255	9,916
Technology and communication.....	10,951	11,000	13,500
Special education and manpower development.....	32,510	34,645	37,700
Planning and evaluation.....	497	550	
Total obligations.....	104,491	115,750	131,109

State grant programs. Grants are made to States to assist in the initiation, expansion, and improvement of programs and projects for education of handicapped children at the preschool, elementary, and secondary school levels. Approximately 183,000 children will receive services in 1973. Priority for the handicapped will be continued under education revenue sharing.

Special target programs. Model centers are supported to provide educational, diagnostic, and consultative services for preschool handicapped children and their parents. These centers are designed to stimulate and influence the development of additional services for preschool handicapped children.

Grants or contracts are awarded for the establishment and operation of regional resource centers to develop and apply the methods of appraising the special educational needs of handicapped children. Grants are also made for model centers to provide diagnostic, educational, and related services to deaf-blind children and for research in the field of physical education and recreation for handicapped children.

Grants are made to operate centers for research, personnel training, and serv-

ices for preschool and school-age children with specific learning disabilities.

	1971 actual	1972 estimate	1973 estimate
Model early childhood centers.....	41	70	100
Regional resource centers.....	7	8	13
Model centers for deaf-blind.....	3	10	15
Specific learning disabilities model centers.....	9	20	25

Innovation and development. Grants and contracts are awarded for the development of new curricular materials, teaching techniques, research and demonstration centers, and other research and demonstration projects. The 1973 budget includes additional funds for these activities. The estimate also reflects the transfer of basic research support to the proposed National Institute of Education.

	1971 actual	1972 estimate	1973 estimate
Research and demonstration grants awarded.....	39	48	90
Research grants in physical education and recreation.....	34	41	

Technology and communication. Contracts are made for the acquisition, captioning, production, and distribution of films and other educational media, for conducting research in the use of educational media, and the training of persons in the use of the materials for the handicapped. Increased funding in 1973 is included for the National Educational Media Center for handicapped children.

Special education and manpower development. Grants are awarded to support training of teachers, supervisors, speech correctionists, researchers, and other professional and subprofessional personnel in fields related to the education of the handicapped.

	1971 actual	1972 estimate	1973 estimate
Number of individuals supported for full academic year.....	4,597	6,325	7,250
Number of individuals supported in summer and short-term programs.....	14,577	15,850	19,000
Number of grants to strengthen institutional training programs.....	64	97	132

Planning and evaluation. Funds for this program have been transferred to educational renewal.

VOCATIONAL AND ADULT EDUCATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Grants to States for vocational education:			
Basic vocational education programs.....	321,956	384,173	384,173
Programs for students with special needs.....	19,997	20,000	20,000
Consumer and homemaking education.....	21,247	25,625	25,625
Work-study.....	5,499	6,000	6,000
Cooperative education.....	18,498	19,500	19,500
State advisory councils.....	2,380	2,690	2,690
Vocational research:			
Innovation.....	13,762	21,977	16,000
Curriculum development.....	4,000	4,000	6,000
Research, grants to States.....	35,651	18,000	18,000
Special projects.....			
Adult education.....	54,940	61,300	51,300
Planning and evaluation.....	897	900	
Total obligations.....	498,827	582,165	549,288

Grants to States for vocational education. Matching grants are made to the States for basic vocational education programs, including the construction and remodeling of facilities. These grants will be included in the special revenue sharing proposal for elementary and secondary education giving the States more flexibility to fund programs to meet their particular vocational education needs. States will continue to be encouraged to revitalize vocational education by restructuring the curriculum and education program around a comprehensive career development system. Grants are also made to the States to provide special programs for the disadvantaged to help attack the problems of youth unemployment and delinquency, cooperative education programs which combine work experience with formal education, work-study programs which provide financial assistance needed for disadvantaged students to stay in school, and consumer and homemaking education of which at least one-third of the funds are to be used in economically depressed areas. Funds are also used to support the national and State advisory councils on vocational education.

[Student enrollments in thousands]

	1970 actual	1971 esti- mate	1972 esti- mate	1973 esti- mate
Basic vocational education programs:				
Secondary.....	3,271	3,680	3,983	4,308
Post-secondary.....	797	1,060	1,185	1,450
Adult.....	1,970	2,071	2,173	2,424
Special programs included above for:				
Disadvantaged students.....	(506)	(811)	(967)	(1,080)
Handicapped students.....	(106)	(222)	(265)	(306)
Programs for students with special needs:				
Consumer and home-making education.....	2,400	2,660	2,850	3,010
Work-study.....	21	20	22	20
Cooperative education.....	99	90	98	98
Construction and remodeling projects supported:				
New construction.....	169	180	167	170
Remodeled.....	139	148	137	140

Vocational research. Grants are made to States, colleges, universities, and other institutions to develop new models for upgrading vocational education programs and for stimulating new ways to create a bridge between school and earning a living for school dropouts and youth who graduate from high school lacking employable skills. Grants are also made for the development of curricula for new and changing occupations and to provide the information essential to make necessary improvements and changes for more effective vocational education programs. In 1973, this activity will be part of a career education demonstration effort. Special projects will be transferred to the National Institute of Education in 1973.

Projects supported	1971 actual	1972 estimate	1973 estimate
Innovation.....	197	356	281
Curriculum development.....	20	25	28
Research: State grants.....	273	181	186

Adult education. Grants are made to the States for support of basic educational programs attended by adults 16

years and older who wish to overcome English language limitations, prepare for occupational training and more profitable employment, and participate more effectively in our modern society. Continued emphasis will be toward programs related to career education for adults, the national right-to-read effort to abolish illiteracy, and meeting the special needs of disadvantaged adults. Special projects and teacher training have been transferred to educational renewal in 1973.

	1971 actual	1972 estimate	1973 estimate
Number of participants in adult education programs...	606,000	691,000	691,000

Planning and evaluation. Funds for this program have been transferred to educational renewal in 1973.

[In thousands of dollars]

Higher education	1971 actual	1972 estimate	1973 estimate
Student assistance.....	721,643	1,079,196	1,211,745
Special programs for the disadvantaged.....	50,055	52,665	70,331
Categorical institutional assistance:			
Strengthening developing institutions.....	33,716	51,850	100,000
Construction:			
Subsidized loans.....	18,262	35,913	47,013
Grants.....	44,684	43,050	-----
State administration and planning.....	5,925	6,000	3,000
Federal administration.....	2,461	2,508	-----
Language training and area studies.....	7,958	15,300	15,300
University community services.....	9,472	9,500	5,700
Aid to land-grant colleges.....	12,680	12,600	2,600
Undergraduate instructional equipment.....	6,990	12,500	-----
College personnel development.....	57,349	36,954	33,000
Planning and evaluation.....	723	900	-----
Total obligations.....	971,918	1,358,936	1,488,689

The 1973 estimate provides resources for implementing higher education legislation now pending before the Congress. The following narrative described the operation of existing programs as well as new legislation initiatives reflected in the 1973 budget. In most cases, 1973 funds are spent in academic year 1973-74.

Student assistance. Funds are allotted to colleges and universities to provide: Educational opportunity grants for financially needy undergraduate students; work-study grants for part-time jobs during the school year and full-time summer jobs for students in need of financial assistance to continue their education; and capital contributions to National Defense Education Act student loan funds. Advances are made on a matching basis to State and nonprofit private loan insurance funds to guarantee loans to college and vocational students, and payments are made to reduce interest costs for students in college whose adjusted family incomes fall below \$15,000. A special allowance is provided to lenders when money market conditions make payments essential to the purposes of the program.

Beginning with academic year 1972-73, support would be provided for a student aid program which targets assistance on the disadvantaged and carries out the objectives of the President's

1970 message on higher education reform. A 1972 supplemental of \$259 million would increase the number of grant and work-study recipients in academic year 1972-73 from 803,300 to 1,280,000. The 1973 estimate would support approximately 1,300,000 students in academic year 1973-74.

NUMBER OF STUDENTS RECEIVING ASSISTANCE IN ACADEMIC YEAR

	1970-71	1971-72	1972-73
Work-study grants.....	430,000	545,000	536,000
Educational opportunity grants.....	290,500	297,300	267,300
Subsidized insured loans.....	1,087,000	1,247,000	1,263,000
Direct NDEA loans.....	560,400	648,900	649,000
Total students aided.....	1,983,630	2,290,840	2,279,610

The last column does not include the proposed 1972 supplemental.

Special programs for disadvantaged students. For disadvantaged students, grants and contracts are supported for: the upward bound program to motivate high school students to attend college and improve their academic preparation; the talent search program to identify youths with exceptional potential for a college education and publicize available sources of financial aid; and special remedial and other services for enrolled college students to encourage and assist them in continuing their higher education.

In academic year 1973-74, special programs for disadvantaged students will be consolidated and expanded to increase services for all eligible postsecondary students. Career education and assistance for veterans will receive special emphasis.

NUMBER OF STUDENTS RECEIVING SERVICES IN ACADEMIC YEAR

	1970-71	1971-72	1972-73	1973-74
Upward Bound programs.....	24,200	24,500	26,500	30,700
Talent search projects.....	207,000	207,000	207,000	240,000
Special services projects.....	30,000	40,000	40,000	65,000

Categorical institutional assistance. Grants are made to raise the academic quality of developing colleges, to facilitate construction of academic facilities, to encourage study of modern language and world affairs, to assist universities in meeting community needs, and to aid land-grant colleges.

Additional funds have been proposed in the 1973 budget for a new initiative to improve minority education. Support will be concentrated on a number of selected developing institutions serving large numbers of minority students.

Beginning with academic year 1972-73, Federal interest subsidies on higher education facility loans will be targeted on colleges serving large numbers of disadvantaged students and on urban and other community colleges which increase career education opportunities.

Foreign language and area studies will be maintained at the current level, but Federal support will shift from existing centers to new undergraduate and graduate programs. University community service programs will be reduced to eliminate new starts.

	Academic year			
	1970-1971	1971-1972	1972-1973	1973-1974
Number of developing colleges receiving grants.....	226	198	226	226
Number of predominantly black colleges aided in above estimate.....	(85)	(89)	(105)	(105)
Number of new construction loans receiving a Federal interest subsidy.....	353	310	200	200
Number of foreign language and area programs and centers.....	107	106	143	140
Number of community service projects.....	600	539	475	310

College personnel development. Grants are awarded to universities for fellowships leading to a doctorate for prospective college teachers.

Grants and contracts are also provided for the full costs of institutes and other training programs to train college teachers, administrators, and educational specialists, especially at 2- to 4-year colleges.

Overall support for college personnel development will be reduced in the 1973 budget to reflect the current surplus of Ph. D.'s. Less than Ph. D. training will be expanded to meet the needs of growing numbers of community colleges.

NUMBER OF PERSONS TRAINED IN ACADEMIC YEAR

	1970-1971	1971-1972	1972-1973	1973-1974
Doctoral fellowships.....	8,603	8,345	4,650	2,980
Institutes and training programs.....	6,272	7,952	7,716	11,525

Planning and evaluation. Funds for this program have been transferred to educational renewal.

LIBRARY RESOURCES

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
School library resources.....			90,000
College library resources.....	9,896	11,000	11,000
Librarian training.....	3,872	2,000	3,000
Educational broadcasting facilities.....	11,497	13,091	
Planning and evaluation.....	400	400	

School library resources. Grants are made to States for procurement of library resources, textbooks, and other printed and published instructional materials for use by students and teachers in public and private elementary and secondary schools. This program will be included in education revenue sharing to give States and local school systems greater flexibility in the use of education funds.

	1971 actual	1972 estimate	1973 estimate
Students aided.....	43,000	47,500	48,500
Number of projects:			
Libraries.....	66,000	66,000	66,000
Number of local educational agencies.....	11,600	11,600	11,600

College library resources. Grants are made to institutions of higher education

for acquisition of library books and materials.

NUMBER OF GRANTS FOR HIGHER EDUCATION LIBRARIES

	1971 actual	1972 estimate	1973 estimate
Basic grants.....	548	600	600
Supplemental grants to correct library deficiencies.....	532	600	600
Special purpose grants for exemplary, national, regional, and joint-use projects.....	116	73	73
Total.....	1,196	1,273	1,273

Librarian training. Grants are made to higher education institutions for training and upgrading librarians to staff school, public, and academic libraries.

	1971 actual	1972 estimate	1973 estimate
Number of participants trained in institutes.....	1,429	610	985
Number of fellowships awarded.....	124	40	

Educational broadcasting facilities. Funds for this program have been transferred to educational renewal.

Planning and evaluation. Funds for this program have been transferred to educational renewal.

EDUCATIONAL RENEWAL

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Educational systems improvement:			
Site personnel development.....	90,397	84,565	76,800
Bilingual education.....			41,130
Dropout prevention.....			10,000
Personal development:			
Teacher Corps.....	30,782	37,435	37,435
Career education personnel.....	6,883	6,900	10,000
Other personnel development.....	5,556	4,900	4,000
National priority programs:			
Followthrough.....			57,700
Educational technology demonstrations.....	1,700	7,000	30,000
Drug abuse education.....	5,901	13,024	12,400
Right to read.....	1,529	1,750	12,000
Career education model installation.....			14,000
Environmental education.....	1,928	3,514	3,180
Library demonstrations.....	2,170	2,000	2,000
Other priority programs.....	4,150	4,250	11,750
Data systems improvement:			
Educational statistics.....	3,934	4,250	7,900
National achievement study.....	4,500	6,000	7,000
Product identification and dissemination.....	8,494	8,000	15,500
Planning and evaluation.....	5,792	5,650	10,205
Research and development:			
Experimental schools.....	12,000	15,000	
Institutional support.....	31,996	32,100	
Career education.....		2,000	
General research and development.....	15,934	11,000	
Total obligations.....	233,646	249,338	363,000

Educational systems improvement. Beginning in 1973 several existing Office of Education elementary and secondary project grant programs will be administratively consolidated. Funds from all of these programs will continue to be made available to local school districts to foster educational change. Federal funds will enable qualifying schools to develop

an overall strategy, obtain necessary materials, and prepare teachers to carry out a comprehensive program designed to improve the educational achievement of students. All funds appropriated for the existing special purpose programs will continue to serve the purposes for which they were authorized, but local school districts will be able to submit a single application for a comprehensive grant.

Site personnel development. Grants are made under part D of the Education Professions Development Act. The primary emphasis will be retraining staff to use improved educational products and practices. In 1973, these funds will provide pilot support and planning for a limited number of local and State renewal sites.

Bilingual education. Grants are made under title VII, Elementary and Secondary Education Act, to achieve comprehensive bilingual-bicultural curriculum reform in areas of high concentrations of non-English-speaking children. In 1973 the program will continue 203 projects and support several new efforts.

Dropout prevention. Grants are made under title VIII, ESEA, to support secondary school reform in order to attack the basic causes of dropouts. Funds will continue 26 existing projects and allow for limited expansion.

Personnel development. Teacher Corps. Grants are made to colleges, universities, and local school districts to support projects which provide teams of experienced teachers and teaching interns to serve in schools located in neighborhoods with concentrations of low-income families. Legislation has been proposed to transfer this program to the new Action agency.

Career educational personnel. Grants are made to States, institutions of higher education, and local education agencies to train educational personnel to merge the best parts of academic curriculums, vocational training, and work-experience programs.

Other personnel development. Grants are made to institutions of higher education and local school districts to support improved undergraduate teacher education, and training for teachers of adults. Programs previously supported under this appropriation for displaced teachers will be supported under the new emergency school assistance program and higher education programs.

National priority programs. Follow Through. This is an experimental compensatory education program designed to develop and test new ways to educate disadvantaged children in the early primary grades. The parents, the community, and the resources at the school are brought together in programs to meet the child's instructional, physical, and psychosocial needs.

Educational technology demonstrations. Matching grants are made for the establishment, expansion, and improvement of broadcasting facilities for educational television and radio stations. Grants are made to support demonstrations of the use of technology as a means of delivering educational services to

schools, universities, and homes. Sesame Street will continue to develop and expand along with the new electric company televised reading program.

Drug abuse education. Grants are made to State and local agencies to support demonstration, dissemination, and training projects to improve drug abuse education.

Right to read. Support is provided to schools, States, and other agencies to improve reading programs and end illiteracy by 1980. The 1973 program will concentrate on identifying exemplary reading programs and supporting school districts that wish to adopt these model programs.

Career education model installation. Grants are made to local school districts to support the installation of the career education models being developed by the Office of Education. These grants will be used for large-scale demonstrations at renewal sites and for broad dissemination of the models.

Environmental education. Support is provided to a variety of State, local, and community agencies for demonstration and dissemination of exemplary environmental education projects. This program provides support for projects which cannot be funded from any other source.

Library demonstrations. Support is provided for community learning center demonstrations serving low-income children and adults and special target populations, such as Mexican Americans and American Indians.

Other priority programs. Grants and contracts are made to support exemplary projects in adult education, nutrition and health education, and the District of Columbia schools.

Data systems improvement. Educational statistics. Support is provided to measure the progress and status of education in the Nation. The work includes the collection, compilation, analysis, and dissemination of statistics; work on standard educational terminology; and continued research in statistical survey methods and sampling techniques. In 1973, a feasibility study will be undertaken on an integrated Federal-State-local educational information system.

National achievement study. This national assessment provides information on the educational attainment of the population. Tests have been administered in the first seven subject areas: science, citizenship, writing, reading, literature, music, and social studies. Results were published in 1972 in the first three subject fields. In 1973, two additional fields will be tested, including the second cycle for science, which will allow the first measurement of change in achievement, and results for two additional fields will be published.

Product identification and dissemination. This program provides State and local educators information needed to consider alternatives to their current practices. It supports a national system for collection and dissemination of technical literature; identifies and validates promising programs and practices, including the products of educational research and development; and communicates in print, audiovisual, person-to-person, and demonstration forms so that more rational decisions for educational change may be made.

Planning and evaluation. These items are being consolidated in 1973 under educational renewal. Funds are available for grants, contracts, or other payments for planning succeeding year activities and for conducting evaluation of ongoing programs. In addition, the educational policy research centers will be supported.

Research and development. In 1973, the existing research and demonstration programs discussed below are to be transferred to the proposed National Institute of Education.

Experimental schools. This program tests, develops, and demonstrates ways to improve the learning of children in actual school situations. Support will be provided to schools which will implement, in a comprehensive manner, ideas already verified as feasible by prior research as well as ideas yet to be evaluated. Over the next several years the program will generate a series of experimental school sites that will represent a full range of alternatives to current educational practice. Three schools were chosen in 1972 and four more will be added in 1973.

Institutional support. This program is building a network of educational research and development institutions capable of solving pressing educational problems by supporting specific research and development efforts. In 1973, 11 educational laboratories and nine research and development centers will be supported.

Career education. Grants and contracts are made to support the research and development for four model career education programs. Career education seeks to reunite the best aspects of academic education, vocational education, and work experience so that all students will understand their potential career choices, have salable skills, and understand the world of work. The four models are for school, industry, home, and residential vocational programs.

General research and development. These funds support a variety of multidisciplinary research and development activities and also grants for training manpower to carry out educational research, development, dissemination, and evaluation activities.

EDUCATIONAL ACTIVITIES OVERSEAS SPECIAL FOREIGN CURRENCY PROGRAM (In thousands of dollars)

	1971 actual	1972 estimate	1973 estimate
Grants to American institutions.....	2,877	3,268	5,000

U.S.-owned foreign currency which the Treasury Department determines to be in excess of our normal requirements is used to strengthen American education through research and training abroad sponsored by American institutions. Projects focus on foreign languages, area studies, world affairs, and intercultural understanding and are designed to update the professional competencies of American educators, to further research, and to develop improved curriculums and effective instructional materials.

SALARIES AND EXPENSES

(In thousands of dollars)

	1971 actual	1972 estimate	1973 estimate
Educational renewal.....	11,144	12,588	11,308
School systems.....	12,825	13,442	15,632
Higher education.....	8,686	7,894	15,102
External relations.....	2,363	2,396	2,523
Management.....	13,400	14,569	21,635
Total obligations.....	48,418	50,889	66,200

The Office of Education administers grants-in-aid and provides technical assistance and statistical services to State and local education agencies, institutions of higher education, and libraries. It also supports education renewal by supporting development of education personnel, research in areas of national priority, and planning and evaluation of educational programs. This appropriation provides for management, staff services, and related expenses required in accomplishing the mission of the Office.

CIVIL RIGHTS EDUCATION

(In thousands of dollars)

	1971 actual	1972 estimate	1973 estimate
Training and advisory services.....	15,821	16,000
Technical assistance and administration.....	3,177	3,657
Total obligations.....	18,998	19,657

This appropriation is being terminated in 1973. Funds for carrying out title IV of the Civil Rights Act of 1964 will be included under the emergency school assistance appropriation which is proposed for separate transmittal.

STUDENT LOAN INSURANCE FUND

(In thousands of dollars)

	1971 actual	1972 estimate	1973 estimate
Operating costs, funded:			
Collection fees on insured loans.....		2	2
Loss on insured loans.....	187	410	522
Loss on reinsured loans.....	434	816	952
Total operating costs.....	621	1,228	1,476
Capital outlay, funded:			
Collectable insured loans defaults.....	7,033	1,457	20,178
Collectable reinsured loans defaults.....	6,764	15,161	20,748
Total capital outlay.....	13,797	16,618	40,926
Total program costs, funded.....	14,418	17,846	42,402
Change in selected resources.....	941	2,594	800
Adjustments in selected resources.....	599	597
Total obligations.....	15,958	21,037	43,202

Under the Higher Education Act of 1965 and the National Vocational Student Loan Insurance Act of 1965, the Office of Education received authority to insure loans to students in eligible institutions who do not have reasonable access to State or private nonprofit programs of student loan insurance.

The Higher Education Amendments of 1968 merged the National Vocational Student Loan Insurance Act into the Higher Education Act insured loan program, and in addition to extending the

Federal insurance program, authorizes the Office of Education to reinsure loans guaranteed by State and nonprofit private agencies at 80 percent of default by student borrowers.

Upon default by the student borrowers, the Office of Education will pay to the beneficiary the amount of the loss sustained by the insured upon federally insured loans and 80 percent of the loss sustained or reinsured loans guaranteed by State and nonprofit private agencies.

STUDENT LOAN INSURANCE FUND

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Increase on collectible insured loans defaults.....		12,765	

This supplemental appropriation is to provide funds for an unanticipated increase in defaulted student loans.

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Operating costs, funded:			
Interest expense on participation certificates.....	11,163	11,099	10,856
Interest expenses to Treasury.....	18,704	22,000	21,000
Administrative expenses.....	6	6	6
Total operating costs, funded.....	29,873	33,105	31,862
Change in selected resources.....	-2	-2	-2
Total operating costs.....	29,871	33,103	31,860
Capital outlay, funded:			
Academic facilities loan insurance.....			3,352
Construction loans to higher education institutions.....	45,664	30,000	15,000
Change in selected resources.....	-65,948	-8,355	-15,000
Adjustments in selected resources (loan obligations).....	34,012		
Total capital outlay, obligations.....	13,728	21,645	3,352
Total obligations.....	43,599	54,748	35,212

The Higher Education Facilities Act authorizes loans for construction of academic facilities in higher education institutions. Such loans may be made up to 75 percent of a project's total development cost and must be repaid within 50 years.

The Participation Sales Act of 1966 established a revolving fund for these loans and authorizes the sales of such loans to the private credit market, the proceeds of which are deposited into the fund to be used for new loans to colleges and universities. The Government National Mortgage Association is authorized to serve as trustee for these sales.

Loans under this program have been displaced by the new annual interest grant program under the higher education appropriation. However, new loans may be made from the fund to the extent that such amounts are made available from withdrawals of earlier commitments. These amounts will be used to fund those small institutions of higher education which are unable to obtain

private loans necessary to participate in the annual interest grant program.

In 1971, 21 new projects totaling \$13,728,000 were supported by commitments withdrawn prior to June 30, 1971. Additional funds, available from commitments withdrawn prior to June 30, 1971, totaling \$21,645,000, will support approximately 32 new projects in 1972. No new loans are anticipated for 1973.

The 1973 estimate for academic facilities loan insurance is based on pending legislation which would authorize the Commissioner to insure the payment of interest and principal on non-Federal construction loans to private higher education institutions. The United States shall be entitled to recover, from any institution or agency to which insurance has been issued, the amount of any payment made pursuant to that insurance.

Interest is payable to the Treasury on the cumulative amount of appropriations paid out for loans under this title or available as capital to the fund less the average undisbursed cash balance in the fund during the year. The rate certified by the Secretary of the Treasury as of June 30, 1971, is 7½ percent.

Appropriations for insufficiencies are used to fund the deficit resulting from the interest rate required to sell the participation and the interest rate paid by higher education institutions on facilities loans.

ADVANCES AND REIMBURSEMENTS

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Educational renewal.....	289	94	97
School systems.....	2,517	499	514
Higher education.....	3,022	4,252	399
Management.....	104	934	62
Total obligations.....	5,932	5,779	1,072

SOCIAL AND REHABILITATION SERVICE

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Assistance to refugees in the United States: Education.....	21,572	20,920	18,000

Selected training is provided to equip the refugees for employment through English and vocational training. Also, provision is made for Federal payments to help meet part of the added cost related to refugee children in the Dade County, Fla., public school system because of the sizable impact these children have on that school system. In addition, loans are made to needy college students: about 4,200 in 1971; for 1972 the estimate is 4,000 students and for 1973, 3,800 students.

SPECIAL INSTITUTIONS—AMERICAN PRINTING HOUSE FOR THE BLIND

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Educational materials.....	1,442	1,505	1,619
Expenses related to advisory committees.....	75	75	78
Total obligations.....	1,517	1,580	1,697

Grants are made to this nonprofit institution in Louisville, Ky., to supply educational materials and tangible apparatus for education of the blind, to blind children in schools for the blind, in public schools, and in private nonprofit institutions, and multihandicapped children and adult trainees at rehabilitation centers.

Funds are also provided for staff and other expenses of committees which advise the printing house and approve materials and aids to be manufactured and supplied through the Federal appropriation.

Numbers of blind children served by the program are as follows: 1971 actual, 21,223; 1972 estimate, 21,846; 1973 estimate, 22,750.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Operations:			
Academic program.....	2,421	2,907	3,221
Administration and support services.....	1,559	1,794	2,120
Construction:			
Planning and site development.....	220	1,690	
Building.....		24,500	
Total obligations.....	4,200	30,891	5,341

The National Technical Institute for the Deaf provides a residential facility for post-secondary technical education for deaf persons in order to prepare them for successful employment; prepares professional manpower to serve the Nation's deaf population; and conducts applied research in aspects of deafness related to education, training, and employment.

Operations. \$4,694,000 is requested for the continued development of the Institute to fully operational status. In 1973, it will serve the needs of 503 full-time equivalent students and will expand cooperative and terminal job placement; develop and evaluate new an ongoing curricula; formulate and implement an expanded hearing and speech program; investigate new and varied use for computerized instructional systems; and automate a student progress and planning evaluation system.

Construction. In 1973, actual construction will reach 85 percent completion with final completion and occupancy scheduled for January 1974. This construction consists of a residence hall, a dining hall/commons, and an academic complex.

MODEL SECONDARY SCHOOL FOR THE DEAF

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Operations.....	2,189	2,524	3,600
Construction:			
Planning and site development.....	943	290	
Buildings.....		14,958	1,000
Total obligations.....	3,132	17,772	4,600

The Model Secondary School for the Deaf will provide an exemplary secondary education program for deaf persons in order to prepare them for college or other advanced study.

Operations. In 1972, the second full year of operation of the Model Secondary School for the Deaf in temporary facilities, emphasis was placed on a program of evaluation of student achievement and effectiveness of materials and methods in use, the refinement of administrative procedures, and on the continued training of staff. For 1973, continued efforts will be directed toward developing instructional materials of an individualized nature, including filmed, televised, computerized, and other technological formats.

Construction. In 1972, construction began on the permanent facilities for the Model Secondary School for the Deaf. For 1973, construction will continue on schedule with occupancy scheduled for 1974. In 1973, funds are requested for items of equipment which must be planned for and processed concurrently with the construction of the facilities.

GALLAUDET COLLEGE
[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Academic program, college.....	6,875	7,888	8,598
Construction, college:			
Planning and site develop-	608	137	500
ment.....			
Building.....	835	4,628	514
Kendall Demonstration Ele-			
mentary School:			
Academic program.....	691	1,212	1,900
Construction.....		800	
Total obligations.....	9,009	14,665	11,512

Academic program, college. Gallaudet College is a private, nonprofit educational institution providing an undergraduate higher education program for the deaf, a tutorial school for deaf students who need such training to qualify for college admission, and a graduate school program in the field of deafness. The estimates for 1973 will provide funds for increases in educational technology, tutorial programs, training of professional personnel, improvements in the quality of student life, and for expansion of administrative support to facilitate the growth of the college.

Construction, college. Funds requested in 1973 for planning will provide for upgrading and updating the master plan which was developed in 1968 to include the Model Secondary School for the Deaf and Kendall School.

Kendall Demonstration Elementary School. By an act of Congress, the college has the authority to operate the Kendall School as a national demonstration elementary school for the deaf. The school will: Develop an exemplary educational program for children from the age of the onset of deafness through the age of 15; develop a diagnostic center; build a parent education center; and become a source of important research on learning problems of young deaf children. Funds requested in the academic program will provide for expanding current programs.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Howard University:			
Academic program.....	51,008	52,439	55,739
Freedmen's Hospital.....	18,958	20,555	21,195
Construction.....	2,061	54,047	12,123
Total obligations.....	72,027	127,041	89,057

Academic program. The university is a private nonprofit institution consisting of an undergraduate college, a graduate school offering the master's degree and the degree of doctor of philosophy—in African studies, biochemistry, English, government, history, pharmacology, physics, psychology, physiology, and zoology—and 13 professional schools. Federal funds provide 61.9 percent of the total operating costs for the academic program. Funds from non-Federal sources are realized from student fees, gifts, grants, endowments, dormitory rents, cafeteria sales, bookstore sales, and hospital patients.

Freedmen's Hospital. The hospital furnishes inpatient and outpatient care and a facility for training of physicians and nurses and other professional and technical health personnel. Operation of the hospital is financed by direct appropriation and income derived from charges for medical and hospital services for self-pay and insured patients. Medicare patients, and other patients paid for by the District of Columbia and other jurisdictions. Federal funds provide 67 percent of the total operating costs.

Construction. The Federal Government has undertaken the financing of a major construction program at Howard University, including the erection of a number of new buildings and alterations and repairs to the existing physical plant.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
OFFICE OF THE SECRETARY			
Advances and reimburse-			
ments:			
Cost-finding principles in		91	191
higher education.....			
OFFICE OF EDUCATION			
Education review sharing—			
additional amounts be-			
yond funds provided from			
antecedent programs.....			223,911

Legislation has been proposed and is currently pending in the Congress, to initiate a special revenue sharing program for elementary and secondary education. This program will provide support for educational activities in broad areas where the Federal Government has developed strong interests in strengthening school programs. These include compensatory education for the disadvantaged, education of handicapped children, vocational education, aid to schools affected by Federal activities, and general support. The States and localities will have greater freedom to determine their own priorities within these broad areas and to decide how best to meet those priorities.

Existing Federal programs to be transferred to educational revenue sharing are as follows:

	1973 estimate
Elementary and secondary education.....	\$1,765,142,000
School assistance in federally affected areas.....	369,900,000
Education for the handicapped.....	37,500,000

	1973 estimate
Vocational and adult education.....	\$526,288,000
Library resources.....	90,000,000
School lunch program.....	224,480,000
Total.....	3,013,310,000

NOTE.—The school lunch program is not included elsewhere in this tabulation, being agricultural and welfare in nature rather than educational.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Emergency school aid act.....	500,000	1,000,000	

Legislation has been proposed to authorize the Office of Education to provide assistance to local educational agencies and to other public or private nonprofit agencies to carry out programs designed: To encourage comprehensive planning to eliminate minority group isolation in school systems; to provide financial assistance to encourage the establishment and maintenance of stable, quality, integrated schools throughout the Nation; to assist in eliminating minority group isolation in public school systems; and to aid schoolchildren in overcoming the educational disadvantages of such isolation. Training and advisory services activities formerly provided for under the "Civil rights education" appropriation will be carried out under this appropriation.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Higher education			
Student assistance.....	259,500	—288,000	

A 1972 supplemental appropriation for educational opportunity grants and work-study payments will be requested upon enactment of proposed legislation. Support will be provided for a student aid program which targets assistance on the disadvantaged and carries out the objectives of the President's 1970 message on higher education reform.

The 1973 estimate reflects a reduction of \$288 million in student loan funds. A secondary market and warehousing mechanism has been proposed to increase the amount of private capital available for student loans. The administration continues to support such a means of financing student loans.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
National Foundation for Higher Education.....		3,000	100,000

Legislation has been proposed to establish the National Foundation for Higher Education to support innovation and reform in institutions of higher education. The Foundation will provide funds to colleges and universities that wish to try out new educational concepts and techniques. It will also assist in the development of national policy in higher education.

NATIONAL INSTITUTE OF EDUCATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Program operations and administration.....		3,000	125,000

Legislation is now pending before the Congress to establish the National Institute of Education as an agency in the Department of Health, Education, and Welfare. The Institute will be a national focal point for educational research and experimentation in the United States. Working with researchers, school officials, teachers, scientists, humanists, and others, it will help identify educational problems and develop programs to alleviate these problems.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—HOUSING PRODUCTION AND MORTGAGE CREDIT: FEDERAL HOUSING ADMINISTRATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
College housing—Loans and other expenses.....			
Capital outlay:			
College housing loans, college service facility loans, and loans for housing of student nurses and interns.....	120,982	85,000	75,000
Change in selected resources.....	-78,427	-25,000	-15,000
Total capital outlay, obligations.....	42,555	60,000	60,000
Operating costs, funded:			
Interest on borrowings.....	47,303	66,103	72,472
Administrative expenses.....	1,074		
Inspection expense.....	375		
Interest accrued on participation certificates.....	90,300	51,162	30,028
Other expenses.....	330	315	320
Total operating costs, funded.....	139,382	117,580	102,820
Total obligations.....	181,937	177,580	162,820

Title IV of the Housing Act of 1950, as amended, authorizes financial assistance to colleges for the construction or acquisition of housing and related facilities such as student centers and dining halls. This assistance is usually provided through debt service grants which reduce the cost of borrowing on the private market. Grants may be made for a period not to exceed 40 years in amounts equal to the difference between the average annual debt service on loans obtained in the private market, and the average annual debt service which would have been required if the loan had been made at a 3 percent interest rate.

A limited number of direct Federal loans may be made in cases where eligible applicants are not able to borrow on the private market except at exorbitant interest rates. These loans ordinarily are made for a period of 40 years at an interest rate set by statute at either 3 percent or .25 percent above the average rate on all interest-bearing obligations comprising the Federal debt, whichever is lower. The 1972 rate is 3 percent.

Living quarters for approximately 45,000 students, student families, and faculty members will be made available during 1973.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Limitation on administrative expenses, college housing loans and other expenses:			
Payment to administrative operations fund.....	1,074		
Housing management—Housing payments: College housing grants.....	430	2,000	8,000

Note: The limitation on administrative expenses was eliminated in 1971 as part of a departmentwide change in appropriation structure.

Payments under this program result from contracts entered into pursuant to title IV of the Housing Act of 1950, as amended, which authorizes payment of debt service grants to colleges.

The following table summarizes the debt service grants required in 1973 as compared with 1971 and 1972. The increase in requirements reflects the rise in the number of facilities eligible for grants during this period.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Facilities receiving grants, end of year.....	10	35	140
Obligations.....	430	2,000	8,000

COMMUNITY PLANNING AND MANAGEMENT

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Community development training and urban fellowship programs:			
Grants to States.....	2,767	3,000	3,000
Fellowship awards.....	465	500	500
Total program costs, funded.....	3,232	3,500	3,500
Change in selected resources.....	267		
Total obligations.....	3,499	3,500	3,500

Title VIII of the Housing Act of 1964, as amended, authorizes: Matching grants to States for programs which provide special training and skills needed for efficient community development, and fellowship awards to qualified students preparing for careers in urban public service.

Community development training grants are made to States for training subprofessional and professional personnel employed, or soon to be employed, by public or private nonprofit organizations in the fields of housing or community development. Training of low-income persons in the management of housing for low- and moderate-income persons may be included. Training programs are designed by States to meet their needs, and are conducted in cooperation with Federal agencies, local governments, universities, nonprofit organizations, and urban studies centers. The Secretary is authorized to render technical assistance to States in the development of these programs and to compile and distribute training packages which States find useful in administering

their programs. Approximately 50 States and territories will be assisted.

Urban fellowships are intended to attract new students at the graduate level into urban studies fields, in order to increase the supply of trained personnel working with State and local agencies. Some 100 fellowships will be awarded for the academic year beginning in 1973.

DEPARTMENT OF THE INTERIOR

PUBLIC LAND MANAGEMENT, BUREAU OF INDIAN AFFAIRS

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Education and welfare services.....			
Educational assistance, facilities, and services.....	141,244	165,090	177,434

The Bureau operates Federal school facilities where public schools are not available or cannot meet the special needs of Indian children. Financial assistance is extended to public schools enrolling Indian children where tax-free Indian lands result in financial problems for the local districts and where other special problems exist that are not covered by Federal impact legislation, administered by the Department of Health, Education, and Welfare. The level of this assistance will be increased to meet the needs of the public schools for increased costs and increased enrollments. Grants are made to Indian students attending college. These grants will be increased to meet the needs of additional students and to offer student aid at a more adequate level. Federal school plans include increased enrollment in boarding and day schools and in dormitories housing public school students; adequate base funding of the Indian education program; and for training of Indian paraprofessional staff in Federal schools. The education program plans also provide for the employment of Indian education coordinators and for the operation of schools by Indian school boards. The numbers of children enrolled in Bureau schools and dormitories and those receiving college aid are as follows:

	1971 actual	1972 estimate	1973 estimate
Boarding schools.....	35,938	37,038	39,761
Dormitories (public schools).....	4,195	4,295	4,366
Day schools.....	16,653	17,118	18,466
Higher education.....	6,447	10,335	10,335
Total.....	63,233	68,786	72,928

Funds for the adult education program provide educational opportunities and services across the total range of human educational needs in order to help the adult Indian become a more effective and efficient functioning human resource in the modern society and help him realize his potential as an individual.

Funds for the community development thrust provide programs and services in the development of social skills necessary for a community's assumption of initiative and responsibility in the setting of community goals and the solving of community problems.

	Persons served through adult education		
	1971 actual	1972 estimate	1973 estimate
Organized learning situations.....	9,817	10,000	10,000
Individual counseling.....	26,219	26,000	26,000
Advances and reimbursements:	In thousands of dollars		
Manpower Development and training Act (Department of Health, Education, and Welfare.....)	338	161	-----
Indian education for the disadvantaged.....	10,017	15,901	12,000
Indian education, Elementary and Secondary Education Act.....	43	226	130
Indian education, Teacher Corps.....	125	229	-----
Indian education, title VII, Elementary and Secondary Education Act.....	-----	1,000	1,000
Indian education, educational centers and services.....	218	571	302
National Defense Education Act.....	84	59	50
Indian education, title II, Elementary and Secondary Education Act.....	60	250	133
Fish and wildlife and parks: National Park Service: Miscellaneous permanent appropriations: Educational expenses, children of employees, Yellowstone National Park.....	136	255	313

Revenues received from the collection of short-term recreation fees to the park are used to provide educational facilities to pupils who are dependents of persons engaged in the administration, operation, and maintenance of Yellowstone National Park.

DEPARTMENT OF JUSTICE FEDERAL PRISON SYSTEM

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Salaries and expenses, Bureau of Prisons: Inmate education ¹	3,409	3,996	4,348

¹ This covers the cost of the inmate education program including related personal services.

FEDERAL PRISON INDUSTRIES FUND

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Industrial manufacturing program: Vocational training expense.....	3,454	4,700	4,700

The vocational training expense limitation finances the vocational training program within the Federal prison system. Advances in vocational education

that have proven successful outside the prison system have been adapted to function within an institutional setting. These advances include the use of integrated curriculum combining practical academic and vocational education and training in a number of closely related skills having special relevance to emerging job opportunities. Shifts are continually being made in industrial and vocational training programs to reflect changing demands in the labor market, thus providing inmates with the best chance to secure postrelease employment. Releasees are aided in finding employment by an employment placement service which functions as an integral part of the vocational training activity.

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL TRAINING EXPENSES, FEDERAL PRISON INDUSTRIES, INC.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Administrative expenses (excludes depreciation).....	954	1,138	1,496
Vocational training expenses (excludes depreciation).....	3,454	4,700	4,700
Total obligations.....	4,408	5,838	6,196

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Salaries and expenses: Manpower development.....	20,798	31,753	42,980

Funds are for educational development, internships, training in the latest techniques and methods, training of State and local prosecuting attorneys, and grants and loans to law enforcement officers and other students enrolled on a full- or part-time basis in an approved program leading to a degree.

BUREAU OF NARCOTICS AND DANGEROUS DRUGS—SALARIES AND EXPENSES

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
State and local assistance.....	-----	-----	-----
Public education.....	675	1,204	1,204

This activity encompasses educational programs on drug abuse and controlled substances for local, State, and Federal personnel, and the drug industry.

ENROLLMENT OPPORTUNITIES

[By year of funding authority]

	1970 actual	1971 actual	1972 estimate ¹	1973 estimate
Private sector on-the-job training.....	124,600	162,500	122,600	122,600
Public sector on-the-job training.....	40,800	46,200	24,900	24,900
Institutional training:				
Regular classroom training.....	159,900	146,400	161,800	163,400
Job Corps.....	20,400	22,400	25,000	25,000
In-school work support:				
In-school.....	97,100	78,800	102,000	102,000
Summer youth training.....	413,100	609,300	609,300	609,300
Postschool work support:				
Operation Mainstream.....	17,800	23,300	26,200	26,200
Out-of-school.....	34,900	40,100	36,400	36,400
Total.....	908,600	1,129,000	1,108,200	1,109,800

	1970 actual	1971 actual	1972 estimate ¹	1973 estimate
NEW ENROLLEES				
Private sector on-the-job training.....	176,700	191,800	145,000	140,900
Public sector on-the-job training.....	3,600	47,300	36,500	31,200
Institutional training:				
Regular classroom training.....	130,000	163,800	165,700	166,000
Job Corps.....	42,600	49,800	52,900	54,700
In-school work support:				
In-school.....	139,500	120,000	131,800	131,800
Summer youth training.....	527,100	567,200	600,000	600,000
Postschool work support:				
Operation Mainstream.....	12,500	21,900	22,000	22,000
Out-of-school.....	48,400	53,000	49,000	49,000

¹ 1972 estimate includes 194,600 summer youth training enrollment opportunities now requested in 1972 supplemental appropriation.

DEPARTMENT OF LABOR—MANPOWER ADMINISTRATION, SALARIES AND EXPENSES

	In thousands of dollars		
	1971 actual	1972 estimate	1973 estimate
Training program development and administration.....	2,671	2,655	2,639
Institutional training administration.....	7,422	7,702	7,892
Apprenticeship services.....	-----	-----	-----

Institutional training administration. The Department of Health, Education, and Welfare develops and directs classroom skills training and retraining for persons entering the labor force and for persons whose skills have been rendered obsolete.

Apprenticeship services. Employers and unions are provided technical assistance and advisory services in developing and conducting programs of apprenticeship and allied industrial training.

Assistance is provided to about 120,000 employers, with more than 400,000 apprentices and other workers participating in training programs during the year. Approximately 2,400 new apprenticeships or other skill-improvement programs are developed annually.

MANPOWER TRAINING SERVICES

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Private sector on-the-job training.....	172,912	186,300	178,100
Public sector on-the-job training.....	52,700	110,600	84,700
Institutional training:			
Regular classroom training.....	321,700	359,500	363,500
Job Corps.....	134,283	158,900	164,700
In-school work support:			
In-school.....	49,361	75,200	75,200
Summer youth training.....	149,545	243,800	270,700
Postschool work support.....	127,505	196,100	195,900

OBLIGATIONS BY PROGRAM¹

[In millions of dollars]

Program by activities	1970 actual	1971 actual	1972 estimate	1973 estimate
Private sector on-the-job training.....	221.5	205.9	223.0	194.2
Public sector on-the-job training.....	87.1	93.9	67.1	62.2
Institutional training:				
Regular classroom training.....	321.8	361.2	378.8	368.4
Job Corps.....	170.0	172.1	200.1	204.7
In-school work support:				
In-school.....	59.2	58.1	75.2	75.2
Summer youth training.....	157.9	301.8	193.3	270.7
Postschool work support:				
Operation Mainstream.....	51.0	71.5	83.9	83.9
Out of school.....	97.9	115.2	125.5	124.2

¹ Includes funds appropriated to the economic opportunity program in 1970.

Private sector on-the-job training. This covers the program costs of providing employment and training in the private sector to unemployed and disadvantaged persons and upgrading persons in low-skill occupations. The key feature is the concept of "hire first and then train." The job opportunities in the business sector program is operated in conjunction with the National Alliance of Businessmen.

Public sector on-the-job training. This secures, within merit staffing principles, permanent employment for the disadvantaged and stimulates upgrading of employed persons in the public sector.

Institutional training. This increases the employability of the unemployed and underemployed through classroom occupational training and remedial education supplemented by supportive services. The regular institutional program places emphasis on aiding veterans, criminal offenders, Spanish-speaking persons, Indians, and disadvantaged individuals who do not require special intensive assistance. The Job Corps assists disadvantaged youth to become productive workers by providing a full-service training and development program in rural conservation and residential urban centers, and in nonresidential centers which permit the youths to remain in or near their home community.

In-school work support. This assists disadvantaged students of high school age to remain in school by providing part-time and summer work experience.

SUMMER [In millions of dollars]

	1970 actual	1971 actual	1972 estimate	1973 estimate
Obligations (calendar year).....	\$195.4	\$270.7	\$270.7	\$270.7
Enrollment opportunities, funded.....	413,000	609,300	609,300	609,300

The 1972 estimate includes \$95 million and 194,600 enrollment opportunities now requested in 1972 supplemental appropriation.

Postschool work support. This provides work experience and training to the disadvantaged unemployed. Operation Mainstream focuses on poor adults in rural areas who have little opportunity for full-time employment. The out-of-school program provides high school dropouts with skill training opportunities, work experience, income, and other supportive services to enable them to return to school or to find regular employment.

MANPOWER TRAINING SERVICES

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Summer supplemental request.....		95,000	

The requested amount will be used to assist disadvantaged youths of high school age to remain in school by providing part-time and summer work experience.

DEPARTMENT OF STATE ADMINISTRATION OF FOREIGN AFFAIRS ADVANCES AND REIMBURSEMENTS [In thousands of dollars]

Mutual educational and cultural exchange activities	1971 actual	1972 estimate	1973 estimate
Agency for International Development.....	225	263	222
Health, Education, and Welfare.....	28	35	35
Other accounts.....	10	13	13

EDUCATIONAL EXCHANGE

	1971 actual	1972 estimate	1973 estimate
Exchange of persons.....	25,033	27,686	38,593
Aid to American-sponsored schools abroad.....	1,650	1,700	2,400
Cultural presentations.....	550	700	1,000
Multilateral organizations activities.....	478	449	
Program services.....	6,859	7,179	7,640
Administrative expenses.....	2,572	2,689	2,767
Total obligations.....	37,142	40,403	52,400

This appropriation provides for the educational and cultural exchange program of the Department of State. These programs are designed to further national objectives through mutually beneficial cooperative activities with other countries. Increases are proposed for exchange of persons with renewed emphasis on carrying out the programs through private institutions. Other increases are for services to nongrant foreign students, teenager exchanges, aid to American sponsored schools abroad, and cultural presentations. The United Nations Educational, Scientific, and Cultural Organization functions previously funded under this appropriation have been transferred to the International Organizations portion of the Salaries and expenses appropriation to provide for consolidation of UNESCO activities.

INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES (SPECIAL FOREIGN CURRENCY PROGRAM)

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Exchange of persons.....	150	177	

This appropriation has provided dollars for the purchase of foreign currencies. Since 1963, budget authority for these programs has been included in the mutual educational and cultural exchange activities appropriation.

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Education, research, and training.....	4,325	4,538	5,617
Program direction, administration, and institutional support.....	935	1,092	1,183
Total obligations.....	5,260	5,630	6,800

The Center for Cultural and Technical Interchange Between East and West promotes better relations and un-

derstanding between the United States and the nations of Asia and the Pacific. The Center provides grants, fellowships, and scholarships to qualified Asians and Americans who work jointly on problems of mutual concern.

EDUCATIONAL EXCHANGE PERMANENT APPROPRIATIONS [In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Educational exchange fund, payments by Finland, World War I debt.....	376	375	375

Any sums paid by the Republic of Finland to the United States as interest on, or principal of, the debt incurred under the act of February 25, 1919, are credited to this fund to finance programs authorized by the Mutual Educational and Cultural Exchange Act of 1961 in relation to Finland and the people of Finland. During 1971, the exchange of 12 Finns and 17 Americans was financed from this fund and 33 grants to Finns under the binational program were supplemented.

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Educational exchange trust funds:			
U.S. dollars advanced from foreign governments.....	72	250	250
Contributions, educational and cultural exchange.....	110	150	120
Total obligations.....	182	400	370

U.S. dollars advanced from foreign governments. Funds advanced by other governments are used to send experts abroad to perform requested services, to give foreign nationals scientific, technical, or other training, and to perform technical or other services in this country.

Contributions, educational and cultural exchange. Funds contributed by foreign governments, international organizations, and private individuals and groups are used for the purposes of the Mutual Educational and Cultural Exchange Act of September 21, 1961.

DEPARTMENT OF TRANSPORTATION— OFFICE OF THE SECRETARY

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Transportation Planning, Research, and Development.....			
University research.....			5,000

Scientific and technological research and interdisciplinary studies conducted under this activity are designed to assure that resources of the higher education community are effectively brought to bear on transportation problems and to encourage greater involvement of universities and colleges with the Department, State, and local governments, and the transportation industry. In addition to mission-oriented research, university based seminars and conferences will bring university, industry, and govern-

ment representatives together for joint study of transportation needs.

URBAN MASS TRANSPORTATION ADMINISTRATION
[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Urban Mass Transportation Fund: University research and training.....	1,563	1,700	1,800

Grants under this activity are awarded to public and private nonprofit institutions of higher learning. The grants are to assist in establishing or continuing programs which combine professional training in urban transportation, and related fields.

DEPARTMENT OF THE TREASURY
BUREAU OF ACCOUNTS
[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Eisenhower College grants....	719	1,599	

Public Law 90-563 authorizes the appropriation of \$5,000,000 for grants to Eisenhower College, Seneca Falls, N.Y., to match gifts and other voluntary donations made to the college. These grants are to be used for the construction of education facilities at Eisenhower College.

ATOMIC ENERGY COMMISSION
[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Operating expenses			
Training, education, and information.....	12,859	12,293	12,400
Subtract technical and public information services.....	-5,902	-5,913	-5,300
Training and education...	6,957	6,380	7,100

This program includes specialized training courses; graduate fellowships and traineeships; assistance to schools, faculty, and students; operation of the Puerto Rico Nuclear Center; training in materials safeguards; dissemination of scientific and technical information; and operation of nuclear science and technology demonstrations and exhibits.

The cooperative use of specialized atomic energy laboratory facilities and staff in assisting the educational programs of colleges and universities throughout the country will increase.

By major category, the costs are as follows:

Category	1971 actual	1972 estimate	1973 estimate
Nuclear education and training.....	\$6,782,000	\$6,200,000	\$7,000,000
Training in materials safeguards.....	175,000	180,000	100,000

Technical information services and public information services have been omitted.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
RESEARCH AND DEVELOPMENT

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Direct program: Supporting activities: Sustaining university program.....	11,553	10,000	3,000

This program included grants for graduate studies in interdisciplinary space-related fields. Costs incurred reflect use of funds previously appropriated.

VETERANS ADMINISTRATION
READJUSTMENT BENEFITS
[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Education and training: Post-Korean War veterans.....	1,521,700	1,938,696	2,091,434
Sons and daughters.....	61,988	64,766	67,210
Wives and widows.....	8,656	10,000	11,673
Total.....	1,592,344	2,013,462	2,170,317

In 1973, the number of veterans participating in GI bill training is expected to increase by 27 percent over the number of trainees in 1971. The following table provides a comparison of trainees and costs including the effect of proposed legislation to increase monthly benefits—see *infra*.

NUMBER OF TRAINEES AND COSTS

	1971 actual	1972 estimate	1973 estimate
Veterans: Number of trainees.....	1,585,000	1,910,000	2,011,000
Average cost per trainee.....	\$960	\$1,042	\$1,118
Total cost (in millions).....	\$1,522	\$1,991	\$2,248
Sons and daughters: Number of trainees.....	51,000	53,000	55,000
Average cost per trainee.....	\$1,222	\$1,260	\$1,324
Total cost (in millions).....	\$62	\$67	\$73
Wives and widows: Number of trainees.....	9,000	10,000	12,000
Average cost per trainee.....	\$984	\$1,030	\$1,075
Total cost (in millions).....	\$9	\$10	\$13

The increases in veteran use of GI bill benefits reflects the continuing high rate of military separations, accompanying phased reductions in the size of the Armed Forces, but these increases also reflect a progressive increase in the rate of Vietnam era veteran participation, expected to rise from 23.8 percent through 1969 to 47 percent through 1973. Another important stimulus for veterans to enter and stay in training is proposed legislation to increase the scale of GI bill monthly benefits from \$175 for a single veteran to \$190.

The average cost of each veteran's training is expected to rise by 7.3 percent. Among other factors, this reflects an increase in the proportion of full-time trainees, longer duration of training, and the more liberal scale of benefits under the proposed legislation.

An equally significant improvement in the GI bill program is the increasing extent to which the program fits the talents and aspirations of returning veterans. As shown by the table below, in 1973 the number of veterans in college-level training will rise by 31.9 percent over the number in 1971. In the same period, there

will be a 21.6 percent increase in the number attending vocational and other schools below college level, and a 13.7 percent increase in the number being offered on-the-job training with private or public employers. In line with the administration's strong efforts to encourage participation by those veterans who need GI bill training most, between 1969 and 1973 there is estimated to be a 150 percent increase in the number of high school dropouts who will use the GI bill to complete high school or take vocational or academic training.

	1971	1972	1973
Total veterans in training:			
College.....	917,000	1,156,000	1,210,000
Below college.....	522,000	598,000	635,000
On the job.....	146,000	156,000	166,000

	1971 actual	1972 estimate	1973 estimate
Medical care: Direct operating costs, funded: Maintenance and operation of VA facilities: Education and training.....	102,742	117,382	143,457
Capital outlay, funded: Maintenance and operation of VA facilities: Education and training.....	387	900	2,000
Medical administration and miscellaneous operating expenses: Operating costs, funded: Postgraduate and in- service training.....	3,297	4,215	4,908
Capital outlay, funded: Postgraduate and in- service training.....	210	590	500

Postgraduate and inservice training provides for tuition and registration payments, lecturer fees, travel expenses, and training materials incidental to continuing education programs for professional medical and administrative staff. This also serves as a media for disseminating information on medical advances resulting from research efforts.

READJUSTMENT BENEFITS
[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Education and training: Post-Korean War veterans.....	52,000	156,600	
Sons and daughters.....	1,800	5,800	
Wives and widows.....	300	900	
Total obligations.....	54,100	163,300	

Legislation has been proposed for the prepayment and advance payment of educational allowances, to increase the rates of educational assistance and special training allowance, and to revise the formula for payment of the educational assistance allowance for correspondence course training.

ACTION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Miscellaneous trust funds: School partnership pro- gram.....	280		

This account was merged into the gifts and donations account in 1972.

DISTRICT OF COLUMBIA

LOANS TO THE DISTRICT OF COLUMBIA FOR CAPITAL OUTLAY

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
General fund loans			
Higher education facilities	2,243	7,700	5,397

Appropriations for 30-year interest-bearing loans from the U.S. Treasury are made available for financing construction of the general public works program of the District of Columbia, including school construction, and for education facilities for the Federal City College and the Washington Technical Institute.

INTERGOVERNMENTAL AGENCIES

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Advisory Commission on Intergovernmental Relations contributions			
Special project: Special conference on school finance—Ford Foundation	7	11	

NATIONAL SCIENCE FOUNDATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Salaries and expenses			
Institutional improvement for science	34,392	21,000	12,000
Graduate student support	30,495	20,000	14,000
Science education improvement	68,316	66,100	70,000

Institutional improvement for science. The National Science Foundation's institutional improvement program will provide funds for flexible use by colleges and universities to improve their academic science programs. Also, competitive grants will be awarded to universities to encourage and support efforts to increase the effectiveness of

their research programs through improved management.

Graduate student support. Support is provided, in the form of graduate fellowships, for a limited number of outstanding science students, to provide national recognition to exceptionally talented students and to encourage them to undertake careers in science and engineering. Also included is support for the final year of a phaseout of the NSF graduate level traineeships program.

Science education improvement. This program provides support for research, development, and demonstration projects to improve science education, and for the implementation of important improvements. Support is also provided for efforts to improve the science programs of colleges and universities primarily serving ethnic minorities.

ADVANCES AND REIMBURSEMENTS

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Science education program	567	580	

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES, WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Research and scholarship	421	868	842

The Woodrow Wilson Memorial Act established the Woodrow Wilson International Center for Scholars.

The Center's fellowship program opened on October 19, 1970, with 25 scholars present—half from the United States and the others from eight other countries. As of September 1, 1971, the Board approved 52 fellowship appointments for scholars from a broad variety

of academic and nonacademic disciplines and professions—social sciences, humanities and natural sciences, law, business, journalism, government—and from 16 countries and all major geographic regions. In addition the Center has made 15 guest scholar appointments and its facilities have been used by dozens of visiting scholars on an occasional basis.

Scholars chosen from the fellowship program have been working on projects which fall within the Center's concern for "significant international, government, and social problems, and alternative means of resolving them." In addition, the Center's Board of Trustees has designated three subject areas for special encouragement during the Center's early years: Fundamental long-run issues of peace, world order, and the U.S. international responsibility in the post-Vietnam era; man's overall relationship and response to his deteriorating environment, particularly the social, cultural, and political and international dimensions of the problems of the human environment; and the development of international understanding law and cooperation of the uses of the oceans and safeguarding of the marine environment.

DISTRICT OF COLUMBIA

ASSISTANCE FOR FINANCING CAPITAL OUTLAY PROGRAM

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate
Capital grants for higher education facilities			20,000

Legislation will be proposed to provide financial assistance to the District Government by authorizing capital grants for higher education facilities. The Federal Government would make direct grants for construction of the physical facilities of the Washington Technical Institute and the Federal City College.

RECAPITULATION

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate		1971 actual	1972 estimate	1973 estimate
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				Office of Education—Continued			
Office of Education:				Salaries and expenses	48,418	50,889	66,200
Elementary and secondary education:				Student loan insurance fund	15,958	33,802	43,202
Aid to school districts:				Higher education facilities loan and insurance fund	43,599	54,748	35,212
Educationally deprived children				Civil rights education	18,998	19,657	
Supplementary services				Educational activities overseas, grants to American institutions	2,877	3,268	5,000
Equipment and minor remodeling				Advancements and reimbursements	5,932	5,779	1,072
Follow Through ¹				Educational revenue sharing, additional amounts beyond funds provided from above programs			223,911
Strengthening State departments of education				National Institute of Education		3,000	125,000
Bilingual education ²				National Foundation for Higher Education		3,000	100,000
Dropout prevention ³				Office of the Secretary: Advances and reimbursements, cost-finding principles in higher education		91	191
Higher education				National Institutes of Health:			
Emergency school assistance				Health Manpower	372,025	698,912	603,040
Vocational and adult education				National Institute of General Medical Sciences	60,697	59,355	59,355
School assistance in federally affected areas				National Heart and Lung Institute	20,724	25,014	25,014
Educational renewal:				National Institute of Arthritis and Metabolic Diseases	20,530	20,812	20,812
Educational systems improvement:				National Cancer Institute	15,874	16,422	20,500
Site personnel development				National Institute of Neurological Diseases and Stroke	15,219	17,082	17,082
Personnel development:				National Institute of Child Health and Human Development	18,338	13,928	13,928
Teacher Corps				National Institute of Allergy and Infectious Diseases	11,614	12,501	12,501
Career education personnel				National Institute of Dental Research	6,680	6,871	6,871
Other personnel development				National Eye Institute	3,877	4,674	4,674
National priority programs:				National Institute of Environmental Health Sciences	3,473	3,381	3,381
Educational technology demonstrations				Health professions education fund	3,844	3,996	3,846
Career education model installation				Nurse training fund	2,597	3,342	3,347
Drug abuse education				Fogarty International Center for Advanced Study in the Health Sciences	1,246	1,888	1,767
Right to read				Research resources, fellowships and training	533	478	478
Environmental education				All National Institute of, etc. items are for fellowships and training			
Library demonstrations				Health Services and Mental Health Administration, mental health, manpower development	102,967	130,403	114,191
Other priority programs							
Research and development							
Product identification and dissemination							
Data systems improvement							
Planning and evaluation ⁴							
Education for the handicapped							
Library resources ⁵							

Footnotes at end of table.

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RECAPITULATION—Continued

[In thousands of dollars]

	1971 actual	1972 estimate	1973 estimate		1971 actual	1972 estimate	1973 estimate
Special institutions:				DEPARTMENT OF STATE			
Howard University.....	72,027	127,041	89,057	Educational exchange activities (various).....	43,373	47,296	60,215
Gallaudet College.....	9,009	14,665	11,512	DEPARTMENT OF JUSTICE			
National Technical Institute for the Deaf.....	4,200	30,891	5,341	Law Enforcement Assistance Administration, manpower development.....	20,798	31,753	42,980
Model Secondary School for the Deaf.....	3,132	17,772	4,600	Federal prison system:			
American Printing House for the Blind.....	1,517	1,580	1,697	Vocational training expense.....	7,862	10,538	10,896
Social and Rehabilitation Service, assistance to refugees in the United States, education.....	21,572	20,920	18,000	Inmate education.....	3,409	3,996	4,348
VETERANS' ADMINISTRATION				Bureau of Narcotics and Dangerous Drugs, public education.....	675	1,204	1,204
Readjustment benefits, education and training.....	1,592,344	2,067,562	2,333,617	DISTRICT OF COLUMBIA			
Medical care, education and training.....	103,129	118,282	145,457	Higher education facilities.....	2,243	7,700	25,397
Medical administration and miscellaneous operating expenses, postgraduate and inservice training.....	3,507	4,805	5,408	DEPARTMENT OF DEFENSE—CIVIL			
DEPARTMENT OF THE INTERIOR				The Panama Canal, education.....	16,444	17,023	18,489
Public Land Management:				ATOMIC ENERGY COMMISSION			
Bureau of Indian Affairs, education and welfare services, educational assistance, facilities, and services.....	141,244	165,090	177,434	Training and education.....	6,957	6,380	7,100
Advances and reimbursements:				DEPARTMENT OF TRANSPORTATION			
Indian education for the disadvantaged.....	10,017	15,901	12,000	Office of the Secretary, transportation planning, research, and development, university research.....			5,000
Other Indian education programs.....	446	2,276	15,565	Urban Mass Transportation Administration, urban mass transportation fund, university research and training.....	1,563	1,700	1,800
Manpower Development and Training Act.....	338	161	50	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
National Defense Education Act.....	84	59		Research and development, sustaining university program.....	11,553	10,000	3,000
Fish and wildlife and parks, National Park Service, educational expenses, children of employees, Yellowstone National Park.....	136	255	313	DEPARTMENT OF THE TREASURY			
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				Eisenhower College grants.....	719	1,599	
Housing production and mortgage credit: Federal Housing Administration:				DEPARTMENT OF AGRICULTURE			
College housing.....	181,937	177,580	162,820	Extension Service.....	838	1,286	1,151
Limitation on administrative expenses, college housing loans and other expenses, payment to administrative operations.....	1,074			Forest Service, payments to school funds, Arizona and New Mexico.....	84	69	75
Housing management, housing payments, college housing grants.....	430	2,000	8,000	SMITHSONIAN INSTITUTION			
Community planning and management, community development training and urban fellowship programs.....	3,499	3,500	3,500	Woodrow Wilson International Center for Scholars, research and scholarship.....	421	868	842
NATIONAL SCIENCE FOUNDATION				ACTION			
Salaries and expenses:				School partnership program.....	280		
Science education improvement.....	68,316	66,100	70,000	ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS			
Graduate student support.....	30,495	20,000	14,000	Special Conference on School Finance.....	7	11	
Institutional improvement for science.....	34,392	21,000	12,000	FUNDS APPROPRIATED TO THE PRESIDENT			
Advancements and reimbursements, science education program.....	567	580		Appalachian regional development program, vocational education facilities.....	19,224	33,277	25,500
DEPARTMENT OF LABOR				Philippine education program.....	605	1,282	
Manpower Administration:				Total.....	8,597,723	11,453,626	11,712,557
Salaries and expenses:							
Training program development and administration, institutional training administration.....	2,671	2,655	2,639				
Apprenticeship services.....	7,422	7,702	7,892				
Manpower training services:							
Institutional training.....	455,983	518,400	528,200				
In-school work support.....	198,906	319,000	345,900				
Postschool work support.....	127,505	196,100	195,900				
Private sector on-the-job training.....	172,912	186,300	178,100				
Public sector on-the-job training.....	52,700	110,600	84,700				
Summer supplemental.....		95,000					

¹ Includes funds from educational renewal, national priority programs and funds appropriated to the President, Office of Economic Opportunity.

² Includes funds from educational renewal, education systems improvement.

³ Includes funds from elementary and secondary education.

Note: These changes will make comparisons more meaningful.

THE NEED TO LET 435 MEMBERS JUDGE TAX LEGISLATION

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, the withdrawal of 15 unanimous consent requests from the Ways and Means Committee yesterday is—I hope—the beginning of a new era in the consideration of tax measures which have important revenue and policy implications.

When all the facts are laid out, I trust that the Members and the public will understand why we felt it was necessary to take extraordinary steps to call attention to this longstanding custom of allowing these bills to go through under

unanimous consent without a hearing record. Unfortunately, some left the impression that these bills were extremely minor and involved nothing but technical changes. This was far from true as a quick look at the list of bills would reveal to anyone.

For example, Mr. Speaker, one of the bills, H.R. 6547, involves the tax treatment for bonds sold by commercial banks. By conservative estimates, this amounts to a \$70 million loss in revenue to the U.S. Treasury—a sum which I hope no one could describe as minor. Mr. Speaker, I want to place in the RECORD at this point an article from the American Banker of Monday, February 28, which outlines the tax benefits to the banks under this particular bill:

The article follows:

CONGRESS IS EXPECTED TO RESTORE NONPARALLEL TAX BENEFIT ON BONDS

(By Robert Dowling)

WASHINGTON.—Congress is expected to take a major step this week toward giving the banking industry a \$70 million tax break on securities transactions that it lost in the 1969 Tax Reform Act.

The change, which has gone practically unnoticed since it was ordered reported by the House Ways and Means Committee last fall, would restore nonparallel treatment of gains and losses on securities transactions when a bank agrees to hold its securities until redemption.

In passing the 1969 act, Congress agreed to rule out further non-parallel treatment of securities income by banks on the ground it was a \$50 million tax loophole. To cushion the change, it agreed to give the industry a five-year transition period during which income earned before July 12, 1969, could be

pro rated over the time the bond was held and be taxed at the capital gains rate. Income earned after the cutoff date would be taxed as ordinary income, as would all income on bonds purchased after July 12.

The point of the change, as described by Treasury officials, was to prevent banks from applying the lower capital gains tax rate to profit from their bonds, while deducting losses in full.

Under the new change, capital gains treatment would be restored for all bonds purchased before July 12, 1969, without regard to pro rating income for ordinary tax treatment after that date.

Banks would be required to hold a bond until redemption and discontinue parallel treatment after Jan. 1, 1975.

Another change, covering Treasury refinancings, would permit banks to consider a bond maturing before Jan. 1, 1975 as redeemed when swapped for another Treasury obligation providing the swap took place after Oct. 14, 1971.

The legislation cleared the committee by a voice vote Oct. 14, but was reported by the Ways and Means Committee only last week. In explaining the bill, the committee said the change to parallel tax treatment "could not have been anticipated" by banks in 1969 and resulted in many banks selling off their bonds. The longer the bank held a bond after July 12, 1969, the longer its gain was subject to ordinary tax rates, the committee pointed out. Had sales continued, discounts might have increased on government bonds, it added.

The legislation, which is expected to come before the House Tuesday, has so far drawn no opposition. Committee staff members said late Friday they expected it to pass unopposed.

This particular bill, of course, changes the Tax Reform Act of 1969, about which there was much publicity and even higher hopes.

That is one of the problems in allowing these bills to go through under unanimous consent without hearings. The public was informed of the 1969 Tax Reform Act, but it received no forewarning that part of that act was being dismantled so that the banks and privately controlled foundations could have this additional relief. That is one of the problems that I was trying to point out on the floor yesterday.

Mr. Speaker, the list of bills before us for unanimous consent on Tuesday included many other broad-ranging revenue and policy questions. For example, one of these bills dealt with FCC policy in connection with the divestiture of communications property.

Still another of these bills dealt with the maintenance of common trust funds by affiliated banks—that is, banks in a holding company. This bill appears to facilitate and encourage a further concentration of banking resources in holding companies and this—in my opinion—is a serious policy question which should be passed on only after extensive hearings.

Mr. Speaker, I do not want to go back over all of these bills, but so that Members and the public may have a better understanding, I want to place in the RECORD at this point a list of the bills which appear on the calendar yesterday under unanimous consent. This list includes a short description along with the estimate of the Ways and Means Committee concerning revenue losses.

The list follows:

H.R. 532—MONEY GIFTS TO ENHANCE CAPITOL

Authorizes the Architect of the Capitol to accept gifts or bequests of money for the purpose of enhancing the Capitol Building or Grounds. This money is to be placed in a special fund and disbursed for this purpose on the order of the Architect of the Capitol. Gifts or bequests accepted under this provision are to be treated as deductions for purposes of the Federal income, estate, and gift taxes.

The Committee estimates that this bill will not have any effect on revenues. The Treasury Department agrees with this statement.

H.R. 1010—WAGERING TAX AMENDMENTS OF 1972

Revises the wagering tax provisions of the tax laws to remove constitutional infirmities in those provisions. The bill increases the occupational taxes from \$50 to \$1,000 for principals and agents; imposes a \$100 occupational tax upon pickup men, employees, and punchboard operators; provides a credit against both the tax on wagers and the occupational tax, in the case of those persons who pay similar taxes to State and local governments; and increases the criminal penalties of existing law.

The Committee estimates that the increases in occupational taxes provided for by this bill will yield \$20 to \$25 million annually in each of the next three years. The Treasury Department agrees with this statement.

H.R. 1246—TAX TREATMENT OF DIVESTITURES TO EFFECTUATE FCC POLICY

Present law provides for nonrecognition of gain in the case of certain sales or exchanges of radio or television broadcasting stations which are certified by the Federal Communications Commission (FCC as being necessary or appropriate to effectuate FCC policies. The bill amends present law to provide such nonrecognition treatment also for sales or exchanges of community antenna television (CATV) facilities.

It is not possible to determine with any precision the revenue effect of this bill. It is estimated, however, that there will be revenue losses in the next 3 years, but the losses are expected to be small. The Treasury Department agrees with this statement.

H.R. 2147—MODIFICATIONS OF CHARITABLE DEDUCTION TRANSITION RULES UNDER THE TAX REFORM ACT OF 1969

Modifies in two respects the transition rules relating to the gift tax, estate tax, income tax charitable deductions provided for by the Tax Reform Act of 1969.

The first change relates to the new rules provided in 1969 to prevent the use of the charitable provisions as tax avoidance devices and to insure that a charitable transfer for which a deduction is allowed is accompanied by a comparable distribution to charity. Under the 1969 act, these rules did not apply to wills drawn (or transfers in trust made) before October 9, 1969, if the decedent dies within 3 years of that date without having amended the instrument. The bill provides that if an amendment to the instrument does not alter its dispositive provisions (that is, if there is no change in who the funds are given to, or under what conditions), it will not be considered an amendment for purposes of these transition rules.

The second problem involves another transitional rule contained in the 1969 legislation. Under that legislation, the governing instrument in the case of private foundations and charitable or split-interest trusts must specify that its income will be distributed each year (or within a short period thereafter) and the foundation or trust must be prohibited from engaging in self-dealing, from retaining "excess business holdings," from investing in a manner which jeopardizes its purposes. Present law provides a special transitional rule for pre-1970 organiza-

tions before these requirements must be inserted in the governing instrument. The bill provides that in the case of trusts which are private foundations, charitable trusts, or split-interest trusts created by a will executed on or before October 9, 1969 (and not amended by the decedent after that date in a manner which changes the dispositive provisions of the will), the above rule requiring the provisions in the trust instrument are not to apply before January 1, 1972.

It is not possible to determine with any precision the revenue effect of this bill. It is estimated, however, that there will be revenue losses in the next 3 years, but the losses are expected to be small. The Treasury Department agrees with this statement.

H.R. 1467—PERSONAL EXEMPTIONS IN THE CASE OF AMERICAN SAMOANS

Extends the present law definition of a "dependent" for purposes of claiming an income tax personal exemption to include "nationals" of the United States who otherwise would qualify as dependents but for the fact that they are not citizens of the United States. In addition, the bill provides that a national of the United States, even though not a resident of the United States, is not to be limited to one personal exemption (as he is under present law). In practice these changes will have application only to American Samoans.

The Committee estimates that the treatment of nationals of the United States as eligible to be claimed as dependents will result in a revenue loss of \$100,000 annually in each of the next 3 years. The Treasury Department agrees with this statement.

H.R. 2466—ESTATE TAX TREATMENT OF ANNUITIES IN COMMUNITY PROPERTY STATES

Removes a discrimination in existing estate tax law against spouses of employees in community property States who die before the employee spouse. Generally, an estate tax exclusion is provided for the proportion of the value of a survivor annuity to the extent it is attributable to the contributions of the employer. In a common law State where the nonemployee (often the wife) dies first, no value representing the employer's contribution is included in her estate tax base. However, in a community property State, as a result of the operation of community property laws, half of the value of the annuity in such a case is included in the estate tax base of the nonemployee spouse, even though attributable to employer contributions. The bill overcomes this discrimination against nonemployee spouses in community property States.

It is not possible to determine with any precision the revenue effect of this bill. It is estimated, however, that there will be revenue losses in the next 3 years, but the losses are expected to be small. The Treasury Department agrees with this statement.

H.R. 3233—TEMPORARY SUSPENSION OF DUTY ON OLIVES IMPORTED IN BULK

Provides for the temporary duty-free treatment of olives imported in bulk for a period of 4 years to November 1, 1975.

It was estimated that the amount of revenue lost by the enactment of H.R. 3233 during fiscal year 1972 would be \$3 million.

H.R. 3544—ACT CHANGING THE BRACKET TAX ON LARGE CIGARS TO AN AD VALOREM TAX

Changes the present bracket system of taxing cigars on the basis of their intended retail price to a single ad valorem tax initially of 8½ percent and gradually decreasing to 6½ percent of the intended wholesale price. More specifically the bill:

(1) Replaces the present tax on large cigars with a flat ad valorem tax of 8½ percent of the wholesale price and reduces the 8½ percent rate by one-half percentage point every 2 years (starting in 1973) until the 6½ percent rate is reached in 1979 (retaining the present law upper limit of \$20 per thousand for all years).

(2) Defines wholesale price as the manufacturer's or importer's suggested price at which cigars are to be sold to retailers.

The changes made by this bill are to take effect on the first day of the first month which begins more than 90 days after the date of enactment of this bill.

It is estimated that the bill will reduce tax liability by \$9 million in calendar year 1972, \$12 million in 1973, and \$12 million in 1974. The Treasury Department agrees with this statement.

H.R. 5372—PRODUCTION OF WINE FOR PERSONAL CONSUMPTION BY OTHER THAN HEADS OF FAMILIES

Allows an individual who is not the head of a family to produce 100 gallons of wine a year free of tax for personal use. This extends the present law exemption which allows the head of any family to produce up to 200 gallons of wine a year without payment of tax.

It is estimated that the revenue losses, if any, in the next 3 years which arise from this bill will be negligible. The Treasury Department agrees with this statement.

H.R. 5527—REFUNDS IN THE CASE OF CERTAIN USES OF TREAD RUBBER AND TIRES

Amends the tax laws to provide credits or refunds of the manufacturers excise tax on tread rubber where tax-paid tread rubber (1) is wasted in the recapping or retreading process, (2) is used in the recapping or retreading of tires the sale of which is later adjusted, or (3) is used in the recapping or retreading of tires which are exported, are sold to State or local governments, are sold to nonprofit educational institutions, or are sold as supplies for vessels or aircraft. Also, the bill clarifies the treatment of credits or refunds in the case of new tires the sale of which is later adjusted as the result of a warranty or guaranty. In this case the bill makes it clear that the refund or credit is to be based on the adjustment in price of the tire returned and is to be available whether or not the replacement tire is obtained from the same manufacturer or whether or not a replacement tire is obtained.

The Committee estimates that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

H.R. 5815—CANCELLATION OF INDEBTEDNESS OF STATES FOR FUNDS DEPOSITED WITH THEM IN 1837

Legislation passed in 1936 provided that the Treasury surplus in 1837 in excess of \$5 million was to be deposited to the amount of the various States. This bill cancels any possible liability of the States to repay these amounts by providing that these deposits with the States are to be treated as grants by the United States rather than as loans.

This bill cancels liabilities for repayment of funds deposited with the States to the extent of \$28.1 million. It is not expected, however, that any of this amount would have been recalled from the States in the next 3 years. The Treasury Department agrees with this statement.

H.R. 6547—MODIFICATION OF THE TRANSITIONAL RULE UNDER THE TAX REFORM ACT OF 1969 FOR THE TAX TREATMENT OF BONDS OF FINANCIAL INSTITUTIONS

The bill relates to the transitional rule provided in the Tax Reform Act of 1969 for bonds (and other evidences of indebtedness) purchased at a discount by banks or similar financial institutions. The Tax Reform Act provided that the gain or loss on the sale of the bonds by financial institutions was to result in ordinary income and ordinary loss, rather than a net capital gain or a net ordinary loss as under prior law. Generally, the new treatment applied to bonds purchased on or after July 12, 1969. For bonds purchased before that date the old rule applies—that is, capital gain treatment is continued—with respect to the portion of the gain which the portion of the holding peri-

od before July 12, 1969 bears to the financial institutions total holding period. The bill provides as an alternative to this transition rule that, if the bonds are held to a maturity which is before 1975, all of the gain to the extent of the discount on the redemption is treated as capital gain. This same general treatment is also provided where U.S. Government bonds which meet the tests set out above are exchanged, in tax-free exchanges, for other U.S. Government bonds.

The Treasury has indicated it has no objection to the enactment of the bill.

It is estimated that the full effect of the revenue losses from the enactment of this provision will be \$70 million. The Treasury Department agrees with this statement.

H.R. 7025—MAINTENANCE OF COMMON TRUST FUND BY AFFILIATED BANKS

Modifies the rules relating to the maintenance of common trust funds and banks. Under present law a bank may maintain a common trust fund (the income of which is taxed to the participants rather than it being taxed as a corporation) for the collective investment and reinvestment of moneys transferred to the bank in its fiduciary capacity. The Internal Revenue Service has taken the position that a fund which accepts contributions from other banks acting in a fiduciary capacity (even though the banks are affiliated) will not qualify as a common trust fund. This bill provides that where banks which are members of the same affiliated group establish a combined common trust fund, this fund is to be treated as a "common trust fund" for tax purposes during the period of the affiliation.

The Committee estimates that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

H.R. 7175—LIMITATION ON DUTY ON CERTAIN FOREIGN REPAIRS MADE TO U.S. VESSELS

Limits in the case of certain vessels, the application of the duties imposed on equipment and repair parts purchased for, and repairs made to, U.S. vessels in foreign countries.

Based on records that are available at regional offices of the Bureau of Customs, it is estimated that the total revenue loss due to the enactment of H.R. 7175 would not exceed \$250,000.

H.R. 8975—LOCAL COMMUTER SYSTEMS: FUELS TAX REFUNDS AND EXEMPTIONS FROM HIGHWAY USE TAX

Under present law refunds or credits of excise taxes on gasoline, diesel, and special fuels are provided for local transit systems if 60 percent or more of their revenue is "commuter fare revenue." Presently the principal exemption for "commuter fare revenue" relates to fuel used in transportation which does not cost over 60 cents. The bill changes this exemption to include amounts paid for single trips of less than 30 miles. This change reduces the impact of the gasoline and the diesel and special fuels taxes on the cost of local public transportation. The bill also broadens slightly the exemption from the highway use tax for buses used for local public transportation.

The Treasury Department does not object to the enactment of this bill.

It is estimated that the revenue losses in the next 3 years resulting from the enactment of this bill will be less than \$0.5 million a year. The Treasury Department agrees with this statement.

H.R. 9463—IMPORTATION OF PRE-COLUMBIAN SCULPTURE AND MURALS

Prohibits the importation into the United States of certain pre-Columbian monumental or architectural sculpture or murals if they are expected in violation of the laws of the country of origin, and to provide that any such sculpture or murals illegally imported into the United States be seized, forfeited, and thereafter either returned to the

country of origin upon request therefor by such country, or otherwise disposed of in accordance with law.

It is estimated that enactment of H.R. 9463 would have no effect on revenues. The committee is also of the opinion that enactment of this bill would not result in any additional cost.

H.R. 9900—INCOME TAX EXCLUSION FOR MILITARY AND CIVILIAN PRISONERS OF WAR

Amends present law to provide an exclusion from gross income for compensation received for active service as a member of the armed forces, or for active service as a civilian governmental employee, during the period the individual is in a "missing status" (which includes a prisoner-of-war status) as a result of the Vietnam conflict. The exclusion applies to compensation received during the Vietnam conflict beginning on February 28, 1961, and ending at the time of the termination (as designated by the President) of combatant activities in Vietnam. An exclusion of this type is already available in most cases for enlisted personnel of the military services. Thus, the addition made by this bill will have its primary effect in the case of commissioned officers (who currently receive an exclusion only for the first \$500 of pay per month) and civilian Government employees.

It is estimated that there might be a revenue loss of \$5 million over the next 3 years as a result of the enactment of this bill. The Treasury Department agrees with this statement.

H.R. 10379—DUTY EXEMPTION FOR COMPONENTS AND MATERIALS IN CERTAIN AIRCRAFT EXPORTED FROM, AND LATER RETURNED TO, THE UNITED STATES

Exempts from duty certain U.S. aircraft components and materials installed in aircraft previously exported from the United States and returned without having been advanced in value or improved in condition while abroad.

It is estimated that the amount of revenue loss in fiscal year 1972 would be no more than \$24,640.

H.R. 10837—REQUIREMENTS OF SHOWING TOTAL COST ON AIRLINE TICKETS

Removes the requirement that the airline ticket show in the case of each segment of a trip the total amount (including the tax) paid with respect to the segment. However, the bill continues the rule of existing law which requires the ticket to show the total amount (including the tax) paid by the passenger. This means that on a ticket showing separate segments of a trip there needs to be shown only the basic fare for each segment. However, all tickets must continue to show the total amount paid (including the tax) by the purchaser. As under present law, the tax may be shown separately on the ticket.

The Committee's bill will not reduce tax revenues. The Treasury Department agrees with this statement.

H.R. 11185—EXEMPT STATUS OF VETERANS' ORGANIZATIONS

Deals with the tax-exempt status of veterans' organizations and the treatment of their insurance activities under the tax laws. Under present law veterans' organizations have been exempt from tax as social clubs, or as social welfare organizations. The bill creates a separate exemption category for veterans' organizations. The bill also provides that income a veterans' organization received from insuring its members and their dependents is not to be subject to the unrelated business income tax, to the extent the income is used or set aside for the insurance benefits or for religious, charitable, educational, etc., purposes.

It is estimated that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

H.R. 11186—DUTY EXEMPTION FOR CERTAIN FOREIGN REPAIRS MADE TO VESSELS OWNED BY OR OPERATED FOR THE UNITED STATES

Exempts from duty certain foreign equipments and repairs for vessels operated by or for any agency of the United States where entry was made in connection with vessels arriving before January 5, 1971.

Since, in the absence of the duty exemption provided in H.R. 11186, the duties would be paid from one Government agency to another, there is no revenue loss involved.

H.R. 11196—OPTION LAPSE INCOME OF EXEMPT ORGANIZATIONS

Deals with the application of the unrelated business income tax to income an exempt organization receives from writing options to buy or sell securities in those cases where the option is allowed to lapse. Under present law, premiums received for options which are exercised are treated as part of the gain or loss on the sale of the property involved—that is, usually as capital gain or loss. However, under present law premiums for options which are allowed to lapse generally are treated as ordinary income. In the case of most exempt organizations, capital gains—which include premiums from "exercised" options—are excluded from the unrelated business income tax as a part of the general exclusion for these organizations for investment income. This bill adds income from the lapse of options to buy or sell securities to the exempt category of income for exempt organizations (except for those categories of organizations taxed on investment income). This bill does not change the treatment of exercised options.

It is estimated that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

Mr. Speaker, the list of bills which were on the calendar does not include all of the bills which have been reported under similar circumstances from the Ways and Means Committee. There are other bills which have been recently reported for which I can discover no hearing record. Judging from the remarks of the chairman of the Ways and Means Committee on the floor yesterday, I can only assume that these same bills might be brought before the House under the procedures attempted on the floor on Tuesday.

One of these bills, H.R. 11197, deals with charitable distribution requirements for private foundations. This bill was reported from the Ways and Means Committee on January 27 and I learned of its existence shortly after that date. For many years, I have sought stronger regulation of tax-exempt foundations and measures which would require the foundations to pay out their vast sums for charitable purposes—the purposes for which they were chartered.

Finally, in the 1969 Tax Reform Act, we got the first meaningful legislation aimed at the foundations and now we have before us a bill apparently designed to gut the reform provisions. This legislation would reduce the percentage of pay-out for charitable purposes by foundations. There are other provisions in this bill all designed to favor the big foundations and I regard this as a terrible retreat from what we were able to enact through the 1969 legislation.

Before the tax legislation was passed in 1969, we had years of hearings and studies on foundations. Yet, here we have a bill reported without any hearings to

undo all of these years of work. Mr. Speaker, this is the very bill which attracted my attention to this long list of unanimous consent requests from the Ways and Means Committee. It is a prime example of what can happen if the House allows this procedure to continue.

Mr. Speaker, I place in the RECORD at this point a list and a description of six bills which have been reported unanimously from the Ways and Means Committee without hearings, but which were not on the calendar of unanimous consents yesterday.

H.R. 9040—ESTATE TAXATION OF DEBT HELD BY FOREIGN PERSONS WHERE INTEREST EQUALIZATION TAX APPLIES

Present law contains a procedure which enables domestic corporations and partnerships to obtain foreign funds for use of their foreign affiliates in a manner which complies with the restrictions on foreign investment imposed by the Office of Foreign Direct Investment in the Commerce Department. Under the procedure, the domestic company or partnership elects to treat such an issue of debt as subject to the interest equalization tax. Where this procedure is elected under present law, the flat 30 percent (or a lower rate imposed by treaty) U.S. tax (generally imposed on interest and other payments by U.S. persons to foreign persons) does not apply to interest payments on debt where the election referred to above has been made. This bill provides that in the case of debt where this election has been made, the value of the debt is not to be included in the U.S. estate tax base of the nonresident alien holder of the debt.

The Treasury Department has recommended enactment of this bill.

The Committee estimates that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

H.R. 10264—ELECTION TO TREAT CERTAIN INCOME FROM BANKING OR SIMILAR BUSINESS AS EFFECTIVELY CONNECTED WITH U.S. BUSINESS

Under present law, U.S. source interest and certain other income, if it is effectively connected with the conduct of a trade or business in the United States, is taxed to a foreign corporation in the same manner as similar income received by a domestic corporation. Capital gains from the sale of bonds or other evidences of indebtedness, received by a foreign corporation if they are effectively connected to a trade or business in the United States also are taxed in the same manner as capital gains realized by domestic corporations. On the other hand, U.S. source interest income, if it is not effectively connected with a U.S. trade or business, generally is taxed to a foreign corporation at a flat 30 percent rate without the allowance of related deductions. In such cases, gains or losses from the sale of bonds or other evidences of indebtedness, if not effectively connected with a U.S. trade or business, are not subject to U.S. taxation at all. The bill provides foreign corporations primarily engaged in the banking business (or a financing or similar business) with an election to treat U.S. source interest income and all gains or losses in the sale of bonds or other evidences of indebtedness as effectively connected with a trade or business in the United States (whether or not actually so connected). This amendment applies to taxable years beginning after December 31, 1966, the general effective date of the Foreign Investors Tax Act of 1966.

The Committee estimates that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

H.R. 10335—SOCIAL SECURITY SELF-EMPLOYMENT TAX ON RETIREMENT PAYMENTS TO PARTNERS

Removes two of the conditions from the provision (sec. 1402(a)(10) of the code) excluding retirement payments received by a partner pursuant to a written plan of the partnership from the tax base for the self-employment tax. These two conditions require (1) that the retiring partner hold no obligations from the other partners and (2) that the retiring partner's share of capital in the partnership be paid in full. However, the bill continues to require that the retiring partner must not have rendered services for the partnership during the year and adds a requirement that the retiring partner must be 59½ years old or disabled at the close of any of his years in question.

The Committee estimates that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

H.R. 10412—CARRYBACK AND CARRYOVER FOR FOREIGN TAXES WHERE LIMITATION ON MINERAL INCOME APPLIES

The Tax Reform Act of 1969 provided that a U.S. taxpayer deriving mineral income from a foreign country would not be allowed a credit for the foreign taxes paid on this income to the extent that the taxes were on income which the United States does not tax because of the deduction for percentage (as distinct from cost) depletion. This bill maintains this limitation but provides that any foreign income taxes for which a credit is denied because of this limitation may be carried back to the two prior years and forward to the 5 succeeding years and used in those years to offset U.S. tax on foreign income, but again subject to the same limitation with respect to foreign mineral income.

The Treasury Department has indicated that it has no objection to enactment of this bill.

It is estimated that the revenue losses in the next 3 years from the enactment of this provision will be small. The Treasury Department agrees with this statement.

H.R. 10646—U.S. OBLIGATIONS HELD BY CONTROLLED FOREIGN CORPORATIONS IN BANKING BUSINESS

Provides a new exception to the rule in present law which generally treats U.S. shareholders (usually U.S. parent corporations) in a controlled foreign corporation as having received a constructive dividend—taxable to the parent or other shareholder—when the controlled foreign corporation invests its earnings in United States property. The bill provides that in such a case a controlled foreign corporation is to be treated as not having constructively paid a dividend when it acquires an obligation of a U.S. person if (1) the obligation is acquired in the banking (financing or similar) business, (2) the U.S. person whose obligation is acquired is not related to the controlled corporation, and (3) the obligation is acquired in either of two types of lending situations. The first situation is where the debt obligation represents a direct loan to the U.S. person. The second situation is where the debt is part or all of a new issue which the U.S. person issued to obtain foreign funds and which it elects to treat as a foreign issue for purposes of the interest equalization tax. The bill also allows the indirect acquisition of obligations of the type referred to in this second situation where the amount involved is relatively small.

The Committee estimates that this bill will have a negligible effect on the revenues. The Treasury Department agrees with this statement.

H.R. 11197—CHARITABLE DISTRIBUTION REQUIREMENTS FOR PRIVATE FOUNDATIONS

Reduces from 6 to 5 percent the percentage, applied against the value of a private foundation's investment assets, which rep-

resents an alternative minimum amount which must be paid out in charitable distributions by the foundation each year. (The effect of this also is to reduce the percentage requirement applicable to certain types of operating foundations from 4 to 3½ percent.) The bill also extends from 1975 to 1978, in the case of private foundations organized before May 27, 1969, the time when this percentage will become fully effective. It also provides 1-percentage-point reductions in the applicable percentage rates during that interim period—3½ percent for 1972 and 1973, 4 percent for 1974 and 1975, and 4½ percent for 1976 and 1977.

The Committee estimates that this bill will have no effect, or at most a negligible effect, on the revenues. The Treasury Department agrees with this statement.

Mr. Speaker, I do not have any animosity whatsoever against the chairman of the Ways and Means Committee or any of the Members of that committee. This is not personal. This is simply a situation in which the House must live up to its rules and to the procedures expected in a democratic institution where Members are elected by the voters in their Districts and are expected to have a say in the legislation that is enacted in their name. This is fundamental and it is a protection against further raids on the U.S. Treasury.

There is no reason why the Ways and Means Committee cannot give notice that these bills are being considered and provide for a hearing date so that any persons interested may appear and submit their case. On some bills, I am sure that there will be few witnesses; on others, the Ways and Means Committee will find a long list of people willing to testify. This is the same procedure which all other committees of the House are required to follow and it places no onerous duties on the Ways and Means Committee.

With a hearing record, the Members of the House can be equipped with the information necessary to make a proper judgment. We can then write home to our constituents and tell them that we acted on tax issues based on the record rather than the word of a handful of Members.

It is my sincere hope that all Members of the House will take up this effort and follow the bills carefully and object to unanimous consent requests when there are no hearings and when they feel the issues justify such action. Many Members have already indicated that this will be their position and I commend them for it. They are rendering a great public service.

It will not be possible for any one Member to follow all of the bills. This is too much to ask. But every one of us has particular areas of legislative responsibility. It shall be my intention to follow closely any tax bills which relate either directly or indirectly to matters under the jurisdiction of the Banking and Currency Committee. Certainly I do not limit my concern about these procedures solely to these issues but as a practical matter these are the areas that I will be equipped to watch most closely just as other Members will be in a better position to spot other issues.

Mr. Speaker, when bills go through on unanimous consent, it puts a heavy bur-

den on all Members of the House. If these bills later create problems and result in serious inequities, all Members of the House are subject to blame. Their constituents can well ask why they were not on the floor to object to these measures. This can create some very serious problems and it is one reason why major tax and policy questions should not be brought to the floor under unanimous consent without at least a hearing record available.

Mr. Speaker, I hope that it will not be necessary for this type of question to arise again. It is my hope that such bills will not be reported out without hearings and under requests for unanimous consent. This is the real solution to the problem.

GAIN IN SECURITY

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 15 minutes.

Mr. FINDLEY. Mr. Speaker, largely overlooked in the flood of news and comment resulting from the President's trip to China is the immediate and substantial advance it has gained to our security position.

Reporters will keep searching, as they should, for little nuggets representing advantages the President won in his long negotiations with the Chinese leaders.

In the process, most of them seem to be overlooking the most obvious nugget, in fact a vein of pure gold.

Because of the trip, and the initiatives the President took in the 2 years preceding it, the United States is in a much stronger position today in world affairs—militarily as well as politically. This has been accomplished without building a single gun or military force of any kind—and indeed without putting such in a more threatening position. It has been accomplished without the expenditure of an extra defense dollar.

This is so simply because the President has now established for the United States a single basic policy toward the two main centers of Communist power—Moscow and Peking.

Before the President's initiatives, the United States had a double-standard policy, and it was a high-risk dangerous one.

The elimination of the double standard was a singularly personal accomplishment of the President. It was carried out through a series of steps for which the President had clear statutory and constitutional authority. No initiative by Congress was needed. The change to a single basic policy required no concession whatever and indeed very little response on the part of China.

Unlike an arms race, it carried no financial risk or likelihood of retaliation. And unlike an arms accord, a strengthened NATO or other multinational measures, this major security advance did not require the approval or cooperation of other nations.

By going personally to China, the President gave absolute and dramatic proof that the double-standard days are over. It was a fitting capstone to a long series of forward movements in policy

which should convince China, the Soviet Union and the rest of the world that we are determined to have an even-handed, unbiased, nondiscriminatory policy toward Moscow and Peking.

What does this mean?

It was indeed, as the President said, a week that changed the world. It gives the Soviet Union the strongest possible incentive to improve relations with the United States, reduce pressures in Europe, the Middle East and Asia, and be more cautious in its border conflicts with China.

It also lays the foundation for communication and peaceful contact between the United States and the most populous nation on earth. It shows that our Government accepts mainland China's national existence as a fact and recognizes its importance in world affairs.

With the finality that only a blaze of worldwide publicity can provide, it lays to rest the dangerous and long held notion that in a crisis the United States would gang up with the Soviet Union against China.

Although the United States reaffirms its defense commitment to Taiwan, under no circumstance will it combine with Taiwan, the Soviet Union or any other combination to achieve military advantage over China. We would condemn any such venture.

Thus President Nixon has brought U.S. policy toward China to grips with reality. By his policy of reducing U.S. forces in Vietnam, Korea, and Taiwan, restoring Okinawa to Japan, by recognizing the existence and territorial integrity of the People's Republic of China, by seeking to establish diplomatic, cultural, and trade relations with China on the same terms as with Moscow—and most importantly by going to China for direct consultations with its leadership, President Nixon has brought world power relationships into balance with reality.

In essence, the United States has now acted to lift its siege of mainland China. The siege was ill-conceived. It was a failure, and its abandonment was long overdue.

All this increases our own security interests, and makes Communist-inspired tensions less likely at each point of the compass.

VETERANS DAY

The SPEAKER. Under a previous order of the House, the gentleman from Iowa (Mr. MAYNE) is recognized for 5 minutes.

Mr. MAYNE. Mr. Speaker, I am pleased to note the presence in Washington this week of so many American Legionnaires from all over the United States. Iowa was honored by having its distinguished son, Donald Johnson, as a recent national commander of the American Legion, and again to have Mr. Johnson now serving as administrator of the Veterans' Administration. It has been my pleasure to have belonged to Monahan Post of the American Legion in Sioux City, Iowa, since shortly after I arrived there to begin the practice of law in 1946, and I continue to retain my membership in that fine post.

Yesterday morning, John H. Geiger, national commander of the American Legion, presented testimony before the House Committee on Veterans' Affairs. I am sure he found the committee chairman and members very attentive to his testimony for his is a deservedly well respected organization and the legislative aims of that organization are generally well-founded and reasonable. I had the pleasure of dining with several Iowa legionnaire leaders later in the day, and came away refreshed by their clear insight into the numerous foreign and domestic problems facing this Nation.

It is fitting that one of the 22 unanimous consent bills passed by the House yesterday was H.R. 11185, a bill clarifying the exemption certain income of veterans organizations from Federal income tax. In view of the great interest of the American Legion in protecting the interest of the serviceman and of the hapless prisoner of war, whether or not members or to become members of the legion, it was also entirely fitting that the House also passed another unanimous consent bill, H.R. 9900, excluding from gross income for Federal income tax purposes the compensation of Americans held prisoner in the Vietnam conflict.

I was pleased to provide my full support for these important legislative proposals. I would like to call the attention of all Members to the fact that one of the leading points in the National, State, and local legion legislative programs is the enactment of legislation restoring Veterans Day to the traditional date of observance, November 11.

Other veterans organizations also share in this objective of restoring Veterans Day or Armistice Day to November 11, a day of real meaning to veterans of World War I and their loved ones.

On December 13, I introduced House Joint Resolution 1009, a resolution to change Veterans Day back to November 11. In my remarks on the House floor on December 14, I said:

Mr. Speaker, I am sure I am not the only Member of Congress who has received numerous letters from constituents protesting against the change of Veterans Day from November 11 to the fourth Monday in October, which first became effective this fall.

I have heard from many veterans of World War I, World War II, the Korean war, and the conflict in Vietnam, as well as from many nonveterans who feel strongly much of the true meaning and traditional significance of Veterans Day, or Armistice Day as many of us still know it, has been lost by shifting it from its actual historic date. I share their concern that Veterans Day could become just another Monday holiday, only 2 weeks following still another Monday holiday, Columbus Day.

November 11 is a date of great historic significance, a date which automatically stirs the memories of this Nation and reminds it of the tremendous debt it owes to those who have served and are serving in its defense. It makes as much sense to commemorate our veterans on the fourth Monday in October as it would to commemorate our Nation's birthdate of independence on the fourth Monday of June rather than on July 4.

It is not too late to restore Veterans Day to its appropriate date on the calendar. I strongly urge my colleagues to support such

action, proposed in the bill which I introduced yesterday.

Mr. Speaker, I again urge the chairman of the House Judiciary Committee and of the subcommittee to which House Joint Resolution 1009 has been referred to take immediate action with regard to this and similar resolutions introduced by colleagues, and I urge my brothers of this House to honor those who have served their Nation in its wars by expediting early restoration of Veterans Day to its appropriate historical date, a date of significance to all veterans and to the Nation. We can do no less.

MORE ECONOMISTS ENDORSE "JOBS NOW" BILL TO PROVIDE 500,000 PUBLIC SERVICE JOBS

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, on December 2, 1971, I introduced legislation, H.R. 12011, that would create 500,000 public service jobs by amending and expanding the Emergency Employment Act of 1971—CONGRESSIONAL RECORD, volume 117, part 34, page 44358. This legislation has 62 Democratic cosponsors in the House and was introduced in the Senate on January 31, 1972, by Senator WALTER MONDALE and 20 other Democratic Senators.

The 62 House cosponsors are:

LIST OF COSPONSORS

James Abourezk (S. Dak.), Brock Adams (Wash.), Les Aspin (Wis.), Herman Badillo (N.Y.), Nick Begich (Alaska), Jonathan B. Bingham (N.Y.), Edward P. Boland (Mass.), John Brademas (Ind.), Frank J. Brasco (N.Y.), Phillip Burton (Calif.), Hugh L. Carey (N.Y.), Charles J. Carney (Ohio).

Frank M. Clark (Pa.), George W. Collins (Ill.), William R. Cotter (Conn.), George E. Danielson (Calif.), Ronald V. Dellums (Calif.), Robert F. Drinan (Mass.), Thaddeus J. Dulski (N.Y.), Don Edwards (Calif.), Joshua Ellberg (Pa.), Walter E. Fauntroy (D.C.).

William D. Ford (Mich.), Donald M. Fraser (Minn.), Sam Gibbons (Fla.), Ella T. Grasso (Conn.), William J. Green (Pa.), Richard T. Hanna (Calif.), Michael Harrington (Mass.), William D. Hathaway (Maine), Ken Hechler (W. Va.), Henry Helstoski (N.J.).

Joseph E. Karth (Minn.), Peter N. Kyros (Maine), Robert L. Leggett (Calif.), Romano L. Mazzoli (Ky.), Lloyd Meeds (Wash.), Ralph H. Metcalfe (Ill.), Abner J. Mikva (Ill.), Parren J. Mitchell (Md.), Morgan F. Murphy (Ill.), David R. Obey (Wis.).

Edward J. Patten (N.J.), Claude Pepper (Fla.), Bertram L. Podell (N.Y.), Melvin Price (Ill.), Charles B. Rangel (N.Y.), Peter W. Rodino, Jr. (N.J.), Robert A. Roe (N.J.), Benjamin S. Rosenthal (N.Y.), Edward R. Roybal (Calif.), William F. Ryan (N.Y.).

Fernand J. St Germain (R.I.), Paul S. Sarbanes (Md.), John F. Seiberling (Ohio), B. F. Sisk (Calif.), Louis Stokes (Ohio), Frank Thompson, Jr. (N.J.), Robert O. Tierman (R.I.), Charles A. Vanik (Ohio), Jerome R. Waldie (Calif.), Lester L. Wolff (N.Y.).

I asked a number of eminent economists for their views on this legislation, and on January 31, 1972, I inserted the responses I received from 13 of them—CONGRESSIONAL RECORD, page 1730.

Subsequently I received letters from

two more distinguished economists—Dr. George Perry of the Brookings Institution and Dean Seymour Wolfbein of the Temple University School of Business Administration.

Dr. Perry wrote:

I am glad to support H.R. 12011—Even if the 6 percent growth rate now predicted by the Administration for 1972 could be sustained for as long as necessary, it would take two full years of expansion to get the overall unemployment rate noticeably below 5 percent, and a third year to get it near 4 percent. By focusing directly on job creation, H.R. 12011 could speed this return to high employment.

Furthermore, Dr. Perry wrote—

By focusing on providing jobs for those groups of workers whose unemployment experience in the private job market is particularly bad, H.R. 12011 would help expand employment in a way that minimized any renewal of inflationary forces.

Dean Wolfbein wrote that he was "in accord with the effort you and your colleagues in the Congress are making" on H.R. 12011, and emphasized that legislation of this kind could provide the kind of "specific, viable pathway" which the millions of persons now on welfare can use to move into gainful employment.

The full text of Dr. Perry's and Dean Wolfbein's letters follow:

THE BROOKINGS INSTITUTION,
Washington, D.C., February 18, 1972.
Hon. HENRY S. REUSS,
House of Representatives,
Washington, D.C.

DEAR MR. REUSS: Persistent high unemployment is a serious economic problem today. And while unemployment is unacceptably high throughout the economy, the problem is especially severe for certain groups of workers. The young, the black, the less skilled and the less educated all experience exceptionally high unemployment rates. I am glad to support H.R. 12011; it is the kind of bill that is needed to deal with these problems.

Even if the 6 percent growth rate now predicted by the Administration for 1972 could be sustained for as long as necessary, it would take two full years of expansion to get the overall unemployment rate noticeably below 5 percent, and a third year to get it near 4 percent. By focusing directly on job creation, H.R. 12011 could speed this return to high employment levels. Even more important, a conventional expansion of jobs would still leave us with the large disparities in unemployment rates that we have witnessed in recent years. The groups experiencing relatively high unemployment would continue to do so. And as overall unemployment dropped, some job markets would be growing tight, making it more difficult to contain new inflationary forces, while others would still exhibit clearly excessive unemployment. By focusing on providing jobs for those groups of workers whose unemployment experience in the private job market is particularly bad, H.R. 12011 would help expand employment in a way that minimized any renewal of inflationary forces.

Combining full employment for all with price stability is a great challenge facing domestic economic policy today. Not only is H.R. 12011 a promising measure for helping us do this at present, but I would hope that out of our experience with the program, we could learn how to direct its employment effects so as to serve this purpose increasingly well in future years.

Sincerely yours,

GEORGE L. PERRY,
Senior Fellow.

TEMPLE UNIVERSITY,
Philadelphia, Pa., February 16, 1972.

HON. HENRY S. REUSS,
House of Representatives,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN REUSS: I am taking the occasion to reply to your recent letter regarding your proposed legislation to expand the number of federally financed public service jobs.

I am in accord with the effort you and your colleagues in the Congress are making in this regard for two basic reasons:

First, there is just about unanimous agreement by all the experts in this field, including the current Council of Economic Advisors, that the prognosis for the year ahead is for continuing relatively high levels and rates of unemployment. The materials on this point are already copious and I realize that you do not need any additional evidence on this matter.

The second, and one which I do not think has received sufficient emphasis, lies in the fact that we need some specific, viable pathway where the millions of persons now on welfare can use to move into gainful employment. As I indicated in my testimony on HR 1 before the Senate Finance Committee (January 27, 1972) if we really believe that there is a significant number of welfare recipients who will respond to the availability of meaningful employment at decent pay then we ought to put resources not only into their training; we should not only provide adequate child care for children in AFDC families without charge when the adult participates in a job training or employment program; we should also insure that there is a job at the end of the training rainbow—and we can do it by providing public service jobs when private employment opportunities are not available. This could even include part time public service employment—especially in community betterment jobs—for those who cannot move completely off welfare rolls.

The provision of an adequate supply of public service employment opportunity, properly safeguarded so that the jobs would result in a wide spectrum of public services which are badly needed and which would at the same time be worthwhile to the people involved, would thus provide a vital one-two punch: It would be responsive to short term needs represented by current and anticipated unemployment; it would address itself to the longer-range needs of providing a significant dent in the welfare problem, with potentially incalculable advantages to the coming generation of workers.

Perhaps another way of putting this is that the kind of public service employment program envisioned is an excellent blend of social and economic policy as well.

Sincerely yours,

SEYMOUR L. WOLFEEIN, Dean.

IMPORTS ARE ONE OF THE MAJOR PROBLEMS OF OUR ECONOMY

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 60 minutes.

Mr. DENT. Mr. Speaker, I believe Members of Congress will be interested in reading the remarks of Joseph S. Wright, chairman of the board, Zenith Radio Corp., before the Town Hall of California, Santa Ana, Calif., on February 18, 1972. They deal with the problem of trade from the viewpoint of a person who is not a protectionist, nor opposes international trade—as long as it is conducted on a fair and equitable basis.

The presentation is important for another reason. It gives the view of a person

whose industry is affected by imports, but is also interested in imports. Mr. Wright, like many other Americans of good intention, is doing his best to try to maintain a calm view of a very serious situation. I admit that I have long ago given up on any hope that this Nation can recapture lost markets in international trade, or even recapture a reasonable portion of our domestic market.

If you will read the very fine presentation by Mr. Wright you will note that while he is reluctant to spell out the seriousness of the situation, and its direct relationship to the future of America, he does give you enough information to know that there is danger involved in our present trade policies.

Mr. Wright, like any other patient American, is hopeful of reaching an international understanding that this Nation cannot absorb all of the foreign production surpluses that are, in most cases, deliberately dumped into the U.S. market, or are selling at a price structure unobtainable by American industry.

The remedies, of course, call for the impossible as I have found, after many years of being vitally and closely connected with the problems of international trade. There is little or no hope of effective antidumping regulations or administration of the present laws. They are just a dream and cannot be fulfilled.

The attitude of our Government is based upon a very serious concept of our role, which they interpret to be that of an economic godfather to all exporters—both domestic and foreign.

We are fast becoming exporters of raw materials—both agricultural and mineral—production machinery, machine tools, American know-how and financial assistance. These exports will in turn be used to establish competitive industries and production facilities, which will ship their finished products back to the United States. This reality seems to be missed by the makers of our policies, and those who are the perpetrators of the fraudulent trade picture being displayed to the American people.

Trade is now, has been, and always will be a commercial venture, and as such must be treated as an economic reality.

The attempted blending of the exact science of trade with the inexact science of diplomacy is the cancer that affects the Zenith Corp., and its employees. It is the deep-rooted cause of persistent unemployment, and the uneconomic fact that some 60 million Americans depend, in whole or in part, upon withdrawals from the U.S. Treasury and tax revenues from local and State governments.

I am sure that Mr. Wright and I share many thoughts and convictions, which we may express differently but are the same. I agree with Mr. Wright that if certain things would come about, such as: If our Government had the same attitude as the Japanese and other foreign governments have toward their production entities, if American labor would return to paternalistic employment, if we would be satisfied with the same ratio of ownership in foreign countries of automobiles, homes, TV's radios, washers and dryers, central heat and air conditioning, multiple changes of clothing,

if we could give up eating out two to three times a week, and many of the other enjoyable features of our living in the United States then, perhaps, we might be able to talk and trade on equal terms.

I recommend close and attentive reading of Mr. Wright's presentation. No matter how you interpret it I am sure one convincing conclusion must come from reading this import statement, and that is "imports are one of the major problems of our economy."

Mr. Wright's presentation follows:

REMARKS OF JOSEPH S. WRIGHT, CHAIRMAN OF THE BOARD, ZENITH RADIO CORP., BEFORE THE TOWN HALL OF CALIFORNIA, ORANGE COUNTY FORUM

It is a great pleasure for me to be back in sunny southern California, where I spent several very pleasant years as a boy in school, and particularly to be here on a day in February when the wind normally whips into Chicago from a frozen Lake Michigan.

Talking about Japan and some of our trade problems has gotten to be more and more of a popular sport in recent years. I remember enjoying an English story a few years ago to the effect that in January it was announced that scientists in the United States had made a great new fundamental scientific breakthrough; in February the Russians said they had invented it 10 years before; and in March the Japanese started full scale shipments into the U.S.

Somehow that story doesn't seem as funny to me now as it did a few years ago.

The story of Japan's rise in 25 years from the devastation of World War II, from an isolation from the rest of the world, to the No. 3 nation in GNP—and still going strong—is a fascinating one. I want to tell you a little about how this has been done, and examine some of the problems that we will have to deal with in the future.

Japan's business system pre-war had as its backbone the zaibatsu, or business families of banks, shipping companies, trading companies and factories, and we sent teams of experts over after the war specifically charged with breaking up these combines and creating a free enterprise system patterned after our own, complete down to a Japanese version of our own Sherman Antitrust Act and Federal Trade Commission. This appears to have had only a cosmetic impact. Now, 25 years later, the Mitsui's, Mitsubishi's, Sumitomo's and others are flourishing again as combinations of banks, trading companies, steamship lines, steel mills and chemical and electronic plants which dominate Japan's business scene. But a new ingredient has been added—a government-business relationship through the Ministry of Finance and the Ministry of International Trade and Industry, and involving the Prime Minister as head of the Supreme Council. This relationship—sometimes described as Japan Incorporated—represents a new and most effective phenomenon in world trade.

Most of my Japanese friends—and I have a lot of them in spite of our differences—get very up-tight about the notion of a Japan Incorporated and go to great lengths to deny that it exists. Let's look at the record.

In 1956 and 1957 Japan decided as a matter of policy to encourage and develop the machinery and electronics industries and enacted laws known as the Machinery and Electronics Industry Development Emergency Laws, which remained in effect until 1971. A new and similar follow-on law for the same purpose was enacted to be effective until 1978.

Under these laws MITI was directed to set up and supervise programs for the development of the electronics industry, and within MITI there was set up an Electronics Indus-

try Council of top industry officials to help formulate research and development programs as part of a first phase. Under this procedure, the entire spectrum of consumer products, components, computers, communications and industrial electronics was broken down into program projects. They covered such specific items as:

- Automatic radar units;
- Video tape recorders;
- Electronic telephone equipment;
- Medical electronics;
- Color television transmitters and receivers including cameras;
- Magnetic tapes;
- Digital electronic computers;
- Linear accelerators;
- High performance radio communication equipment;
- Electronic refrigerating devices;
- Industrial TV equipment;
- Numerical control devices;
- Electronic traffic control equipment;
- Transistors;
- Integrated circuits;
- Resistors; and
- Capacitors.

For each one of the programs, MITI developed a time-table, a set of specific objectives and a funding of the money for research and development.

Phase II of each program was the development of a plan for putting the new product into commercial production. The financing of the Phase II production set-up was by means of free or low interest loans from the Japan Development Bank. Phase III contemplated production rationalization accompanied by an accelerated write-off for the tax purposes of whatever investment the companies themselves had made in the program. We don't yet know all the details, but it is clear that the funded R & D, and the no and low interest loans under these programs amounted to hundreds of millions of dollars.

This new system of business is not really free enterprise, as we know it; MITI is the boss and finally decides what projects will be supported, and who will participate and to what extent. Wasted duplication of research in competing projects is eliminated and technology standardized and shared. If the industry in any respect is considered too fragmented for effective action, mergers and consolidations are encouraged.

Rather than an antagonist, the government considers itself an active and responsible partner in the venture.

While this system is not competitive free enterprise, neither does it seem to be the monolithic and bureaucratic system of the Communist world, where planning goes down from the top and most of the things produced look like they were made by a committee. Through MITI's Deliberations Committee the industry members have great influence in getting an effective consensus on what the programs can and should accomplish.

Now, as you might expect, it is asking a great deal of mortal men to encourage them to form a cartel under government supervision for export trade, and then to require them to compete for business in the same products in an anti-trust environment in the Japanese home market. As a result, prices in that market are extremely high when compared to the same Japanese autos or TV sets or tape recorders sold in the United States and other export markets, and this is due to a number of factors, including outright cartels to fix prices and the denial or discouragement of access to the Japanese market of foreign competition. As a matter of fact, this is probably the key reason for the walls that have been built against more U. S. manufactured products in Japan. To give you an illustration: 23-inch color TV consoles, of a type made in the U. S. with suggested retail prices of \$500 to \$700, were offered a

year or so ago in Japan for retail prices of \$1200 to \$1600; and Japanese color TV table models, selling in Japan for \$400 are sold here in the U.S. for less than \$300, shipped nearly half way around the world, and with freight and duty paid.

As a matter of fact a couple of years ago when the Treasury Department's action against Japanese dumping of TV sets was first made public, "Mama San" found out she was being charged much more for Japanese TV receivers than the rich Americans. A consumer boycott was organized which caused a great deal of difficulty in Japan and finally resulted in some lowering of Japanese home market prices. I sometimes think that we might be farther ahead had we done more exporting of Ralph Nader to Japan and less of our precious technology.

The kind of business-government relationship I have described has no parallel in our country, except when we have mobilized our industry during a world war. Then we followed the same pattern—an allocation of resources and manpower to achieve the government's objectives. The Japanese resort to such a military-like system as a peacetime tool to expand her trade raises many challenges which we Americans will have to face. I would hate to see us scrap our own anti-trust laws and our free enterprise system just to meet this threat—and I don't believe it is necessary if we are realistic in dealing with the situation through laws already on the books—laws which penalize dumping and add duties to make up for foreign government subsidies.

At this point, I would like to make two things clear: First of all, what Japan has accomplished is, despite its impact on some of our industries, truly remarkable. Devastated and defeated by World War II, isolated by culture, tradition and language from most of the world, lacking any natural resources, except 100 million hard working, dedicated and intelligent people, she came from nowhere to No. 3 in GNP, and is still rising.

We must find ways and means of encouraging and preserving close friendship and good relations with such an ally.

Secondly, I want it clearly understood that I am not advocating, in the traditional, protectionist role, that it is any answer to our own problems for us to extend any farther the already too long list of U.S. import quota schemes or to build tariff walls high enough to keep out foreign competition.

I happen to be in an industry which has an unmatched record for competition in innovation, in technology and in marketing, and for passing on to the public the benefits of our technology and productivity in the form of better products at lower prices. We have been hit extremely hard by the Japanese trade war, but we don't need a government blanket to protect us from the rigors of foreign competition. All we need is a reasonably fair shake in the rules of the game, and an intelligent and informed government interest in our problems.

This country has for many years been the world's leader in dismantling trade and tariff barriers, and while we still have many of them, we have for the most part opened up our market—which is still the world's greatest—to all our trading partners. For instance, we have reduced our tariffs on TV receivers from 25% to 5%, f.o.b. the country of origin.

Now, theoretically, we have received reciprocal treatment from our trading partners, but unfortunately, that has often been in theory only, and in real fact we have not been accorded the same privileges particularly by Japan and the EEC.

Too often our government negotiators have been badly informed or even uninterested in the nitty gritty of our trade problems, and the top priorities in their minds have been political—not economic. As Will Rogers once said: We have never lost a war, nor won a conference!

Last year that seemed to have changed radically.

The President and Secretary Connally realized we were facing massive trade deficits for the first time in our history; that our unemployment—especially in the big cities—had become a major problem; and they moved dramatically on August 15 to float the dollar, and impose an import surtax. This caused a tremendous shock throughout the world, and certainly in this country. While many people were deeply disturbed that this would cause a trade war with Japan, and our Japanese friends were busy telling everyone that they might stop buying our Western wheat or our Illinois soybeans, the fact was that we had been in a trade war with Japan all along, and had only now come to recognize it.

The 360 to 1 relationship of the yen to the dollar had been established when Japan was devastated, and it no longer bore any relationship to the comparative productivity and prosperity of our two countries. It was simply a major weapon by which Japan took advantage of U.S. competition.

The revision of the yen/dollar relationship to 308 to 1 was a major accomplishment, and it should go a long way to rectifying the problem.

It theoretically makes Japanese goods more expensive in export from Japan, and it makes American goods less expensive in Japan and in competition with Japanese goods in export markets. It helps equalize an unfair wage differential between us. Without the dramatic shock of the floating dollar and the surtax the revaluation never could have been accomplished, and the President, Secretaries Connally and Peterson and all the people who accomplished this deserve high praise indeed.

However, one rose does not make a summer and much of this can be nullified unless Japan in good faith moderates some of her past policies—a modification that we are presently being promised by many top level Japanese officials.

For instance, dumping. We have had on our books for many years a law which puts penalties on the practice of dumping goods on the American market at "less than fair value." This law permits the Secretary of Treasury to impose an added duty when he finds that goods are sold here at prices below prices at which the same goods are sold in the country of export.

Dumping is an old dodge, almost universally frowned on; in a free trade economy it is the kind of international price discrimination which can be disruptive and injurious.

As part of her program of industrial development, Japan has given great emphasis to her export industries and many incentives and subsidies for exports have been provided.

For one thing, Japan's tax system is heavily weighted toward indirect taxes on commodities. As Fred Borch of G.E. has recently pointed out, Japan's central government tax revenues consist of only 58.1% income taxes, and nearly 42% indirect taxes—while in the U.S., income or direct taxes account for 86.7% of central government tax revenues, and only slightly more than 13% in indirect or commodity taxes.

The hitch comes when Japan remits commodity taxes on her exports, and imposes them on imports, which means really that her domestic consumers pay a tremendous and disproportionate part of the tax load, and her exporters get a very great subsidy.

Another factor which has tended to encourage export dumping is the fact that the life-time employment system prevalent in Japan encourages considering labor a fixed cost, and that Japanese companies are generally operating with a debt-equity ratio unheard of in this country for any except a utility company. High interest costs, plus fixed labor costs, provide great incentives to

produce the maximum number of, say, autos or TV sets, and to price the last 20% for export for any price which will more than cover purchased raw materials, any incremental labor and selling costs. This can really be done effectively only when there is a closed home market where prices can be set high enough to cover all fixed costs.

Mr. Peter Peterson—now Secretary of Commerce Peterson—recently reported to the President on our trade problems. He included in that report some charts showing what has happened to home market and export prices in the U.S. and in Japan over the same period of time—using 1960 as the index base of 100. From 1960, our U.S. price index increased to 131 in 1970. Our export price index in the same period rose to 122—up substantially but not as much as the general index, which includes services, medical expenses, etc., which have gone up much more rapidly than most goods and commodities. In Japan, the home market index in the same period went up by a whopping 76 points to 176—but the export price index stayed below 100 for most of the time and had reached only 105 by 1970. I am sure that the same factor of services that affected our indices also applied in Japan, but these figures strongly suggest that here again Japan has as a matter of policy thrown the main burden of her rising costs on her own consumers, and her export manufacturers, with a protected home market for autos and TV sets and other manufactured goods, have had a free ride in incrementally costing their shipments to this country.

I hope that now we have a new ball game. Our own government is much more alert and interested in our trade problems. Japan is now saying that she realizes that she must no longer discriminate against foreign imports and foreign investment, and that the tremendous push on exports at the expense of her consumer economy is being modified. For the sake of continued good relations, which are of tremendous importance to both countries, I hope this is true. But we have had many promises from Japan before, about opening her markets and eliminating inequities in our trade relations, and somehow things never seem to change very much. As a matter of fact, it has been suggested that Japan's theme song ought to be "Promises, Promises."

It is disturbing to hear suggestions that perhaps the currency revaluation will be absorbed as an added burden on Japan's consumers, and that she is now seeking some major revamping of our anti-dumping procedures to continue "Business as usual."

There is a tremendous campaign in progress right now to "polish up" the Japanese image in this country, and *Newsweek* has recently reported that Ambassador Ushiba has an extra million dollar fund to spend on public relations here in the next few months. He is making several speeches every week in various parts of the country and doing an able and effective job. At the same time, the U.S.-Japanese Trade Council, which purports to be not-for-profit organization of U.S. and Japanese companies and business leaders, but which is actually financed by the Japanese Embassy, is busy grinding out propaganda to the effect that all is changed; that Japan has opened up her closed markets, that it is really the U.S. which is protectionist.

Now the only way that the Japanese image can get any lasting polish in this country is by Japan's really dismantling some of the apparatus she has created to take advantage of us in areas of trade; and it is disturbing to hear the Ambassador and other distinguished spokesmen tell us that it will be a long time before we notice much effect from the changes that are being made. Following the Treasury Department's dumping finding in December, 1970, the number of

Japanese color TV sets exported to the U.S. increased nearly 50% in 1971—and at prices way below those prevailing in Japan. We continue to hear from Japan that the revaluation will have no very significant impact on exports to the U.S. And we are told that despite the "liberalization" of trade barriers and foreign investment controls, there will not be any great change in the amount of U.S. manufactured goods on the shelves of Japanese retailers. These statements are inconsistent with the soothing speeches telling us that everything is now somehow different, and suggest instead that we may have an attempt to continue the old game by the old rules which have been so stacked against us. It will be unfortunate if this is the way it happens, because that course will surely continue a great many irritating and disagreeable problems between our two countries. It will also give great encouragement to the enactment of such legislation as the pending Hartke Bill, which by penalizing American companies with investments and profits abroad, and erecting quota walls against foreign goods, would turn America inward and isolate her from world trade.

But the ball is really now in Japan's court: If she persists in trying to take advantage of us in nearly every aspect of our trading relationships, no amount of speechmaking and pamphlet writing can really keep her image polished up.

FULTON BILL SEEKS SEPARATE DEPARTMENT OF EDUCATION

The SPEAKER. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, perhaps one of the best ways to insure the continued progress of our Nation is to insure the best possible education—teachers, facilities, curriculums, financial aid, advisory assistance and administration of same—for our children.

Currently, I fear our best educational endeavors are getting "lost in the shuffle" of an administrative "monster," the Department of Health, Education, and Welfare. Not that every effort is not being made to provide for the needs of States, local agencies, and the individual child. I would say that, considering the bureaucratic mire inherent in any overly large organization, HEW is generally doing as well as could be expected.

As well as could be expected, however, is a far cry from as well as can, should and must be. Therefore, I today am introducing legislation aimed at establishing a mechanism capable of promising education problems and programs the highest Federal-level attention possible. I today am calling for development of a separate Cabinet-level Department of Education.

The primary function of this Department, as stated in the legislation, would be "to promote the cause and advancement of education throughout the Nation." A full-time administrator, bearing the rank of Secretary, would, among other things: First, advise the President on educational progress; second, devise and recommend to the President policies and programs promoting the development of educational facilities and resources; third, help coordinate Federal education activities; fourth, conduct surveys, collect data, and make available findings outlining educational progress;

fifth, provide information and other assistance authorized by Congress to help insure efficient school system operation; and sixth, encourage comprehensive planning by State and local governments to better coordinate educational activities.

This measure would authorize the selections of top Department officials, transfer the Office of Education in its entirety—including functions, personnel, records, obligations, commitments, unexpended appropriations and allocations—to the new department, change legal terminology where called for from "Health, Education, and Welfare" to "Education," and relocate whatever other Federal governmental functions would be deemed appropriate within the Department of Education. Such alterations would be completed before March 2, 1974.

Provisions also included would call for a departmental annual report listing pertinent educational facts, establishment of an interagency committee to help analyze education problems and coordinate education programs, and authorizations for department expenditures and appropriations.

Mr. Speaker, I firmly believe education is the key to our children's development and to our Nation's future well-being. I further believe this measure is a key step forward to better education.

TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's pioneers of progress, and in so doing renew our faith and confidence in ourselves as individuals and as a nation.

Richard Hoe of the United States is credited with the invention of rotary printing in 1846.

FAMILY VISITATION ACT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, one of the major complaints that is frequently voiced about our prison system is that the total confinement of a prisoner and the resulting lack of sexual relationships have grossly affected prisoners adversely. It has encouraged homosexuality in the prisons and destroyed family ties, which are needed if the prisoner is to be reformed. The U.S. Board of Parole has stated that one of the most important facets of the prisoner's return to normal life is his family. At present the prisoner is only allowed to visit his family in cases of emergency.

Today I am reintroducing the Family Visitation Act of 1972 with some amendments. This bill would afford prisoners in Federal Institutions a minimum of 12 and up to 30 days of furlough during each year of his or her confinement subject to his or her good behavior. This decision would be made by the chief executive officer of the institution to which

the prisoner is confined after consultation with the classification committee or treatment team, the mental health supervisor, and the individual's caseworker. Any violation of the furlough privilege would be deemed an escape and subject to penalties under existing laws. The following is a statistical breakdown of our Federal prison population according to sex and marital status:

		Percent
Men ¹	20,281	95.3
Women ¹	762	4.7
Single ²	5369	26.8
Married ²	4464	22.2
Widowed ²	165	0.8
Separated ²	1998	10.0
Divorced ²	1246	6.2
Common Law ²	877	4.4
Not Reporting ²	5946	29.6

¹ Denotes population as of 1/13/72 (total: 21,043).

² Denotes population as of October 1971 (total: 20,065).

The benefits to the married are obvious since the bill would afford them an opportunity to maintain some familial relationships. The benefits to the unmarried prisoners would also be of a positive nature since mothers, fathers, brothers, and sisters would be able to maintain better contact with their kin. And surely, it must be recognized that unmarried adults have their sexual drives and needs.

While the present Federal law provides for emergency furloughs, it does not provide for conjugal furloughs. Conjugal furloughs have several practical advantages over conjugal visits. First, the conjugal visits pose the problem of suitable accommodations within the prisons and even when they are available, they are often distasteful to the couple or family because they are confined to a prison facility. Second, conjugal visits present certain psychologically harmful effects and administrative impracticalities for unmarried inmates.

Mr. Speaker, there has been much rhetoric recently concerning prison reform and many States are reexamining their penal codes. The Federal Government by introducing a furlough program into the prisons, could take the lead in a meaningful way.

CULVER INTRODUCES RESOLUTION TO REVIEW TRADE ADJUSTMENT ASSISTANCE

(Mr. CULVER asked and was given permission to revise and extend his remarks at this point.)

Mr. CULVER. Mr. Speaker, many Members of this House and of the other body have expressed concern in recent months about foreign trade disadvantages being experienced by American firms and workers. Some have pointed to unfair trade practices engaged in by foreign companies and governments, which have gone unchallenged by the Executive. Others have suggested that root difficulties are to be found in our domestic economy, through lack of vigorous competition and declining innovation and productivity. A major debate is shaping up on the degree of trade expansion we need or can afford, and how best to promote the interests of industry and labor and the consumer.

There is dispute in Congress—as there is among the affected groups, both about the facts of the matter and about their significance.

But there are a few facts on which a substantial consensus does appear to be emerging. One is that the concerns being voiced by labor and management in the affected sectors of our economy are real concerns, and cannot be ignored or swept away by resort to conceptual slogans, whether of "free trade" or "protectionism." Another is that at least one of the remedial concepts to which we have paid lipservice, and partially embodied in legislation—namely, trade adjustment assistance—has been employed so ineffectively and inadequately in practice as never to have been given a meaningful test. Still a third fact which few deny is that, to the extent the United States reacts unilaterally in the world arena to trade problems and stresses, we risk incurring political losses so serious as to endanger our country's security and well-being.

These at least are among the tentative conclusions derived from a series of hearings held last year by the Foreign Affairs Subcommittee on Foreign Economic Policy, which I chair. We examined successively the economic impact of enlargement of the European Common Market; the international implications of President Nixon's new economic policy; and the state of our politico-economic relationships with our two major trading partners, Canada and Japan.

Our own efforts with regard to internal conversion assistance as a constructive alternative to aggressive mercantilist practices or protectionism dating back to the 1962 Trade Expansion Act, are virtually stillborn. The criteria used for adjustment assistance have been so difficult to met—on occasion even self-contradictory—and the procedures so cumbersome that in the past decade only two firms have ever received any substantial assistance from the Government. I ask leave to have reproduced at the close of my remarks an article from the Wall Street Journal of December 8, 1971, entitled "Promises, Promises," which documents the failing of this program.

Nor does the record of the European Common Market to date seem very much better. Regional and social assistance were included as goals of the Rome Treaty, and funds have been allocated for relief of distress in the coal and textile industries—which have declined in employment by roughly 50 and 25 percent, respectively, since adoption of that treaty. But the level and sophistication of assistance have been nowhere near adequate, it appears, to relieve chronic underemployment in regions like southern Italy, and the outlay for economic conversion has been totally dwarfed by expenditures to subsidize inefficient farming operations under the community's common agricultural policy.

Thus, both domestically and internationally, there appears to be a pressing need for examination of workable schemes for economic conversion as an alternative to destructive trade wars. If our farmers and coal producers are

more efficient than those in Europe and Japan, that efficiency should be recognized in access to export markets. By the same token, if firms and workers in other sectors of our economy fall behind their foreign competitors in efficiency, they should have available to them a meaningful and effective array of alternative investment and employment opportunities.

Mr. Speaker, I am not so naive as to expect that economic conversion assistance alone can prove a panacea to all our trade problems and perplexities. Other remedies, both bilateral and multilateral, will no doubt have to be employed from time to time, at least in the short term, to counter genuinely unfair practices by foreign governments and industries. We do not in fact know how much help we can expect from a workable economic conversion program, because we have never had one. Nor do we know how much of our economic conversion needs are attributable to trade pressures, as opposed to other factors operating within our domestic internal economy such as shifting technology and changes in the priorities of Government programs. We do or should know that our country and its constituents—workers, investors, and consumers—along with the peoples and governments of other friendly lands, would be better off if we had answers to these questions.

It is to stimulate the exploration for those answers that I have today introduced, in company with 80 cosponsors, a concurrent resolution expressing the sense of the Congress regarding the importance to our foreign policy of devising effective measures of trade adjustment assistance. With leave, I ask that the text of this resolution together with the names of the cosponsors be printed at the close of my remarks. I must say that I have been very gratified by the depth and breadth of support from my fellow Members for this initiative—extending as it does to representatives of both parties from all regions of the country. It seems obvious that we share a conviction about the importance of examining this subject.

1972 is the year in which to do that. Discussions among governments are now underway to prepare for a possible new round of multilateral trade negotiations to commence next year. This year is also scheduled to witness the completion of the ratification process for enlargement of the Common Market. And the executive has let it be known that it plans to submit no new trade legislation to the Congress this year. We can thus use this year to lay a solid informational and analytical foundation for the legislative consideration that is bound to be called for in 1973. In that context, I am hopeful that the concurrent resolution we have introduced today will be both useful and pertinent.

H. CON. RES. —

CONCURRENT RESOLUTION

Expressing the sense of the Congress regarding steps to strengthen the foreign policy of the United States through measures relating to the domestic economy.

Whereas, in an increasingly interdependent world no longer dominated by the actions or authority of a few superpowers, the United

States needs a foreign policy that will foster sustained, effective, and consistent relationships with other countries, based on sober assessments of long-term mutuality of interests; and

Whereas an international economic posture for the United States that looks beyond immediate issues to a workable pattern of worldwide fiscal, trade, and investment co-operation is essential to such a foreign policy; and

Whereas the ability of the United States to maintain an effective, long-range, and consistent foreign policy has been and remains periodically subject to disruption as a result of stresses felt by various sectors of the United States economy from foreign trade disadvantages; and

Whereas the experience of other nations in pursuing adjustment policies and devising mechanisms to deal effectively with similar stresses and dislocations may have pertinence for appropriate United States policy in this field; and

Whereas presently available means of adapting the United States economy to such stresses have been ineffective and inadequate and are in need of reexamination: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that domestic policies which promote the economic strength of the United States are a necessary prerequisite to the effective implementation of a consistent and constructive foreign policy in the 1970's and beyond; and that the United States Government should exert every effort to examine and prepare workable, responsible, and efficient measures to promote the legitimate interests of American workingmen, consumers, investors, and business in order to be able to carry out a foreign policy which will promote the national interest and the achievement of balanced and stable world relationships.

PROMISES, PROMISES: FIRMS HURT BY IMPORTS, ASSURED OF HELP IN 1962, FIND IT TOUGH TO GET—SO FAR, ONLY TWO RECIPIENTS WIN FEDERAL AID INTENDED TO ENCOURAGE FREE TRADE—THE PLASTIC PIANO SITS SILENT
(By John Pierson)

WASHINGTON.—At stake, it would seem, is peace, prosperity, free trade and nothing less than the future of the plastic piano.

You see, Estey Piano Co. of Union, N.J., and Bluffton, Ind., has been badly hurt because the government agreed to lower the tariff that kept the price of foreign-made pianos high. So the government agreed to help Estey design a less expensive plastic model, which would make the company competitive again, to help keep Estey in business until the new piano was ready and then to help produce it.

Now, after a considerable outlay of time and money all around, the government has changed its mind. Estey has laid off its 100 workers and put its factory—situated in Indiana—up for sale. (There's only an office in New Jersey.) The fate of the plastic piano is in doubt. Says Estey President President Robert Mehlin, whose family has been making pianos for six generations: "We have been very seriously injured by this whole thing."

What has happened to Estey is symptomatic of what has happened to a program enacted nine years ago that was supposed to be free trade's answer to protectionism. Let us cut tariffs, free-traders told business and labor, and we'll help you adjust to the inevitable flood of imports. For workers, the help was to come in the form of extra unemployment benefits, retraining and relocation money. For companies, the law specified loans, technical advice and tax breaks to help them modernize present product lines or move into new ones.

ONLY TWO GOT HELP

Nearly a decade after enactment of the Trade Expansion Act of 1962, U.S. imports

have doubled, thousands of workers have lost their jobs and hundreds of companies have been hurt. While many workers have been getting benefits, only two companies—a shoe manufacturer and a producer of barber chairs—have received any substantial assistance from the government. Another shoe company has been told it will get help.

This failure of the government to make good on its promise to business can only swell pressure for new protectionist moves, free trade advocates fear. This year the Nixon administration has imposed a 10% import surcharge and has won an agreement limiting Asian shipments of synthetic and woolen textiles—atop earlier restrictions on cotton textiles and steel. If new U.S. import restraints should follow, free traders foresee higher prices for American consumers and added bitterness between the U.S. and its trading partners.

For the first seven years after Congress passed the law, the Tariff Commission was the villain of the piece. From October 1962 to October 1969, 13 industries, eight individual companies and six groups of workers asked for help but were turned down by the commission. In November 1969, after a change in membership, the commission began interpreting the law less strictly; it ruled that the piano industry had been injured by imports resulting from tariff cuts.

Since then, two other industries (flat glass and barber chairs), 17 individual companies and 64 worker groups have passed the injury test, either through yes votes of the commission or through tie votes that President Nixon has broken in favor of assistance. The latest to qualify are Bibb Manufacturing Co., a textile maker based in Macon, Ga., and 1,000 of its workers and former workers.

SO WHAT HAPPENED TO ESTEY?

The Labor Department has certified some 20,000 workers for extra unemployment benefits. But of the 18 injured companies that so far have applied to the Commerce Department for relief, one has been denied help, two have received loans, one has been promised a loan and 13 applications are pending; Estey, which once was authorized by the Commerce Department to obtain a loan, is getting only technical assistance.

Here's what happened to Estey.

In February 1970, two months after the Tariff Commission ruled that the piano industry was injured, President Nixon gave piano makers temporary "escape clause" relief from tariff cuts and made them eligible to seek adjustment assistance.

In March 1970, Estey asked the Commerce Department for permission to apply for help. In June 1970, after determining that Estey was indeed among the injured of the industry, Commerce Secretary Maurice Stans declared the company could submit an aid proposal.

During the next nine months, Estey, the department, a management consultant hired by it, and the Small Business Administration worked out a package that included a \$90,000 grant and a \$2.6 million loan. The grant was technical assistance for building a prototype plastic piano and for a study to make sure there was a market for the new product. The loan was for paying off Estey's prior creditors, financing continued production of wood pianos until the plastic one was ready and building a new plant.

BIG PLAY FOR STORY

Last March, Secretary Stans certified that Estey's proposal was "reasonably calculated materially to contribute to the economic adjustment of the firm" and "authorized" the grant and loan. A Commerce Department press release heralded Mr. Stans' action. Newspapers in New Jersey and Indiana gave the story big play.

In April, Edward Killam, then director of the department's trade adjustment assistance division, wrote Estey's creditors that the government money "will be available to

liquidate obligations of the firm . . . including any obligations which may exist to you."

Under the law, once he has certified a company's adjustment assistance proposal, the Secretary of Commerce first asks the Small Business Administration if it wants to make the loan and the Economic Development Administration if it wants to make the grant. If either agency says "no," then the Secretary "may" provide the help himself.

In May, the EDA said it was willing to give Estey \$90,000 for the prototype piano and the market study. Then things began falling apart.

In July the SBA said it was "deferring" action on Estey's loan. Until the prototype and the study were successfully done, the SBA said, there was no "reasonable assurance"—as required by the law—that Estey could repay the government. Commerce Department sources suspect that the SBA simply preferred to have the department risk its own money.

Meanwhile, Mr. Killam had been replaced as director of trade adjustment assistance by Lewis Kaufman, former Los Angeles partner of Goldman, Sachs & Co., an investment firm. Mr. Kaufman viewed the program somewhat differently from Mr. Killam. For example, he felt that no funds should go to pay off prior creditors. As he saw it, the program was meant "for the economic adjustment of firms, not as a creditors' relief act."

Bothering Mr. Kaufman, too, was the fact that some of Estey's creditors were also principal stockholders. Although Estey's proposal stipulated that the stockholders would wait for their money until the government got its money back, Mr. Kaufman says he still worried that the loan would go to "bailing out" stockholders rather than revitalizing Estey.

So despite Mr. Stans' March authorization, despite the Commerce Department's press release, despite Mr. Killam's letters to banks and other creditors, the department joined the SBA in deferring action on the \$2.6 million loan.

And in September, it refused a request from Estey for enough money to keep going until the prototype was built and the market study completed early in 1972.

Late in September, Mr. Mehlin told a Senate Commerce subcommittee that the department had a right to change its mind about the program, but he argued that once Secretary Stans had approved Estey's proposal, "he should certainly live up to that commitment."

Harold Scott, Assistant Secretary of Commerce for domestic and international business, called the Estey case "unfortunate." According to Mr. Scott, trade adjustment assistance had "languished as a relatively inactive feature" of his department, handled mainly "at the staff level."

FROM CHAIRS TO CABINETS

Mr. Mehlin said he was closing his plant in Bluffton and laying off his 100 workers, many of them experts who would be hard to replace if and when the plastic piano went into production. But he now says he'll try to persuade his creditors to hold off and not force Estey into bankruptcy. With the help of the EDA's \$90,000 grant, he's going ahead with the prototype and the market study. He still believes that the new piano has "terrific" potential, and he hopes, one way or another, to prove it.

While Estey was having its ups and downs, 17 other companies were applying for help in adjusting to imports. Two have received it.

In September 1970, the SBA loaned \$2 million and guaranteed a private loan of another \$2.1 million to Emil J. Paldar Co. of Chicago, a maker of barber chairs. The loans were to help Paldar diversify for moving into production of dental cabinets, too. The EDA has provided \$22,000 of technical assistance.

Paldar used the loans to begin work on a new plant, but Paldar President John Dlouhy says he now wants to sell the new plant and acquire another company that makes dental

cabinets. So he's asking Commerce for an additional \$3 million.

And early this year, the SBA loaned \$1.4 million to Benson Shoe Co. of Lynn, Mass. The EDA provided \$200,000 of technical assistance, and the Commerce Department gave tax aid in the form of an extra two years of net operating loss carryback.

VARIOUS STAGES OF SUSPENSE

Benson President Phillip Kaplan says government aid has allowed him to reorganize management, production and sales methods. Volume has doubled with only 20% more help. "To us the program has been good," says Mr. Kaplan.

Both these loans included funds to pay off creditors, a standard SBA practice. Both were made before the Commerce Department got adjustment assistance money of its own. Thus, the SPA had to decide the issue for itself, unlike in the Estey case.

Now that it has its own money, the Commerce Department has just agreed to lend \$662,000 to help breathe new life into Louis Shoe Co. of Amesbury, Mass. The EDA will kick in \$100,000 of technical aid.

Meanwhile, 13 other companies are in various stages of suspense. Some submitted their aid proposals months ago and are waiting anxiously for a response. "I just hope they can get us the assistance in time," says Victor Pomper, president of H. H. Scott Inc., a Maynard, Mass., producer of hi-fi equipment.

A few companies have gotten past the Tariff Commission but are still waiting for Commerce Department permission to apply for help. Robert Bretzfelder, president of Krakauer Brothers, a New York City piano maker, says that every time he sends department officials some figures to prove that his company has been injured, "they ask for more figures." This has been going on for half a year. "If a company was really on the brink of going out of business and had to wait this long, they'd be out of business," he says.

Commerce officials deny it, but these delays may have had something to do with the resignation last month of Mr. Kaufman, the adjustment assistance director. "There have been some suggestions that things happen faster," Mr. Kaufman concedes. "Maybe my problem is that I'm used to dealing with large, successful companies and not with small, unsuccessful ones."

But clearly there are other obstacles to winning trade adjustment assistance. The requirements for proving injury are so tightly written that few companies to begin with get by the Tariff Commission. After that, the procedure for getting help is so complicated that only a few have received it. Division of the authority for dispensing aid permits apparent buck-passing, as in the Estey case.

There may be a basic inconsistency in the law's requirements that companies must be "seriously" injured to be eligible for help and give "reasonable assurance" of repayment. By allowing companies working capital to pay creditors and meet other current expenses only in "exceptional" cases, the law holds little hope for firms like Estey that are on the brink of ruin.

Recently, President Nixon's Commission on International Trade and Investment Policy recommended a number of reforms in adjustment assistance. Among other things, it said one agency should be responsible for operating the program and there should be easier loan terms. Going further, it is urged the government to anticipate import adjustment problems and identify industries most likely to be hurt.

LIST OF COSPONSORS

James Abourezk (S. Dak.).
Bella Abzug (N.Y.).
Brock Adams (Wash.).
John B. Anderson (Ill.) R.
Thomas Ashley (Ohio).

Les Aspin (Wis.).
Nick Begich (Alaska).
Jonathan Bingham (N.Y.).
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John Brademas (Ind.).
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Phillip Burton (Calif.).
James Corman (Calif.).
John Davis (Ga.).
Ronald Dellums (Calif.).
Edward Derwinski (Ill.) R.
John Dow (N.Y.).
Robert Drinan (Mass.).
Pierre du Pont (Del.).
Don Edwards (Calif.).
Frank Evans (Colo.).
Dante Fascell (Fla.).
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William Ford (Mich.).
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Sam Gibbons (Fla.).
Gilbert Gude (Md.) R.
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James Howard (N.J.).
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Arthur Link (N. Dak.).
Mike McCormack (Wash.).
William Mailliard (Calif.) R.
Spark Matsunaga (Hawaii).
Lloyd Meeds (Wash.).
Abner Mikva (Ill.).
Patsy Mink (Hawaii).
William Moorhead (Pa.).
Bradford Morse (Mass.) R.
Charles Mosher (Ohio) R.
John Moss (Calif.).
Morgan Murphy (Ill.).
Lucien Nedzi (Mich.).
David Obey (Wis.).
James O'Hara (Mich.).
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Otis Pike (N.Y.).
Richardson Preyer (N.C.).
Robert Price (Tex.) R.
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Ogden Reid (N.Y.) R.
Henry Reuss (Wis.).
Benjamin Rosenthal (N.Y.).
Edward Roybal (Calif.).
William Ryan (N.Y.).
James Scheuer (N.Y.).
John Seiberling (Ohio).
Neal Smith (Iowa).
Robert Steele (Conn.) R.
Louis Stokes (Ohio).
James Symington (Mo.).
Frank Thompson (N.J.).
Morris Udall (Ariz.).
Jerome Waldie (Calif.).
Charles Whalen, Jr. (Ohio) R.
Lester Wolff (N.Y.).
Sidney Yates (Ill.).
Gus Yatron (Pa.).
Clement Zablocki (Wis.).
John Zwach (Minn.) R.

WHEAT AND WHEAT FOODS RESEARCH, EDUCATION, AND PROMOTION

(Mr. PURCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PURCELL. Mr. Speaker, it is today my privilege to introduce legislation to establish a needed foundation—one devoted to wheat and wheat foods research, education, and promotion. In introducing the Wheat and Wheat Foods, Research,

Education, and Promotion Act, I am joined by the following gentlemen in introducing this bill: Mr. ABOUREZK, Mr. ALEXANDER, Mr. ANDREWS, Mr. ASPINALL, Mr. BERGLAND, Mr. DENHOLM, Mr. FOLEY, Mr. HALPERN, Mr. HANSEN of Idaho, Mr. LINK, Mr. McCURE, Mr. MCCOLLISTER, Mr. MCCORMACK, Mr. MELCHER, Mr. NELSEN, Mr. RONCALIO, Mr. ROY, Mr. SEBELIUS, Mr. SHRIVER, Mr. TERRY, Mr. THONE, Mr. ULLMAN, Mr. WINN, and Mr. ZWACH.

There were those who scoffed a decade ago when the plan was proposed to unite wheat producers, processors and end-product manufacturers into one group for the purpose of backing such a program. Yet despite differences, there persisted all that time the common recognition that here were problems that no one segment of the industry could solve alone. The common interest in research, education and promotion overrode the particular or selfish interest of any one of the three groups. As a result, the bill introduced today enjoys widespread support from those concerned with the production and use of wheat.

What we have as a result is a measure which would provide needed funds—but would do so without cost to the taxpayer or to the government. The proposed Wheat and Wheat Foods Research, Education and Promotion Act represents a unique attempt at industry self-help. Yet it also promises incalculable benefits to consumers. Let me provide details.

In research, the program calls for studies in human nutrition and motivation to learn how specific types of wheat foods fulfill today's dietary, health and social requirements. You know from experience in your consideration of human research projects that the results of such work cannot be confined to wheat products. Rather they must relate to human nutritional needs and values, subject areas in which we desperately need to expand our sphere of knowledge—especially if we are to deal effectively with the problems of malnutrition and hunger in this country and abroad. So while the research proposed under the bill would begin with wheat products, the final result can do nothing but benefit every American.

Motivation research concerns why people eat certain foods and reject others, which is another area of understanding we must gain if we are ever going to solve the urgent problem of upgrading national diet. People do not eat nutrients they need; they eat the foods they want. Thus, studies to be conducted under the proposed Wheat and Wheat Foods Research, Education, and Promotion Act would help us understand why—in this land of plenty—we find people in almost every walk of life of varying income who show signs of malnutrition.

The education proposed by the bill would be embodied in a program to help teach people how to use the foods available to them to better advantage—nutritionally, economically, and socially. We live in a world where many mothers no longer teach their daughters proper nutrition, because to some extent the mothers themselves do not know the basics of food preparation and service, or do not have the time because the mothers work. The findings of the proposed research would become part of

what is taught about foods and nutrition. The same facts established by research would also serve for the promotion of wheat foods in the normal channels of the communication media.

We are not talking about the creation of a huge fund or power bloc in our consideration of this Wheat and Wheat Foods Research, Education, and Promotion Act. It is currently estimated that Americans consume 230 million hundredweights of processed wheat each year. The bill would limit initial assessments to 1 cent per hundredweight and sets a maximum of two and a half cents per hundredweight. Thus at the start, \$2,300,000 would be generated for the kind of program I have described. At its peak, the bill would permit assessments totaling \$5,750,000 a year.

Now, these are not large sums when we consider them in the light of what is spent each day in Government or industry. Yet they are important amounts when one considers the kind of a program they would finance and the consumer benefits to be derived. The help for wheat producers, processors and end-product manufacturers of wheat products who join in the effort appears almost secondary by comparison.

The products of wheat have in recent months come under increasingly heavy attack in criticism by those who might be called food faddists, or by otherwise reputable but misled or misinformed people of scientific stature. Such attacks have served to discredit wheat foods, driving per capita consumption down to all time low levels—from a high of 135 pounds in 1950 to less than 112 pounds per person per year today. This growing consumer rejection of wheat foods serves to injure most those who must depend upon wheat products for the largest share of their nutritional requirements—the low income groups who rely on breadstuffs and pastas as a mainstay in their diet.

The research planned by those who devised the Wheat and Wheat Foods Research, Education, and Promotion Act would go a long way toward correcting some of the common misconceptions about wheat-based foods. They are not, for example, more fattening than many kinds of food, and even less fattening than some. In fact, they may have particular virtues. Studies at the University of Iowa indicate that human subjects fed large amounts of carbohydrate—a so-called 1890 meat, potato, and bread diet—exhibit a decline in the blood serum cholesterol, a physician's index to a person's susceptibility to heart disease—the leading cause of death in America today.

There are many other optimistic signs for both consumers and those associated in the growing, processing and manufacture of wheat foods. But research is needed to translate such indications into facts acceptable to scientists and consumers. Basic studies are needed to reaffirm the place of breadstuffs as the staff of life today as they have been for all mankind over the past 6,000 years.

There are additional attributes to this singular piece of legislation that make it unlike anything thus far ever proposed.

I mentioned that it can best be described as a self-help measure to raise money at no cost to Government or to taxpayers. At the same time, it is a democratic, voluntary program—in that the majority of wheat producers, processors and end-product manufacturers, organized as the Wheat and Wheat Foods Foundation, must all first agree on a program, a budget and a rate of assessment. Any one of the majorities of the three groups as well as the Secretary of Agriculture can veto the plan in whole or in part at any point. But once everyone is agreed, the assessment I mentioned becomes mandatory—fairly and equitably applied to all processed wheat delivered to all end-product manufacturers.

The processor serves as collection agent for the assessments which are paid by the end-product manufacturer. No refunds are provided—except when any one of the majorities of the three groups or the Secretary exercises the veto power. Then refunds would be made to those who pay the assessment.

There are many other aspects of the Wheat and Wheat Foods Research, Education, and Promotion Act which, to me, militate for your favorable consideration. After so many years in which we have pondered long and hard over special interest legislation that would benefit a relatively few, it seems to me that this measure sets a new standard for acceptance in its broad gage benefits that extend to all.

We need not argue that the proposed bill would contribute to the general economy of the Nation as it improves the lot of millions of wheat producers, processors, end-product manufacturers and their employees. That is patently true. But more than that, it would yield consumer benefits of immense proportions and help as we struggle to improve the nutritional quality of life for everyone. On this basis alone I hope you share with me the conviction that the Wheat and Wheat Foods Research, Education, and Promotion Act merits our most serious, thoughtful consideration and approval.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. GRASSO (at the request of Mr. ADAMS), for today and the balance of the week, on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. HANSEN of Idaho), to revise and extend their remarks and include extraneous material:)

Mr. FINDLEY, for 15 minutes, today.

Mr. DON H. CLAUSEN, for 5 minutes, today.

Mr. WYMAN, for 60 minutes, March 2.

Mr. MAYNE, for 5 minutes, today.

Mr. McCLOSKEY, for 60 minutes, March 2.

Mr. MILLER of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. ADAMS) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. REUSS, for 10 minutes, today.

Mr. DENT, for 60 minutes, today.

Mr. FULTON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MAHON, that the remarks that were made on Dr. Latch appear in the RECORD immediately following the reading of the Journal.

Mr. MOSS (at the request of Mr. ADAMS), to revise and extend his remarks on H.R. 11416.

Mr. DINGELL to include extraneous matter with his remarks made today in the Committee of the Whole on H.R. 11416.

(The following Members (at the request of Mr. HANSEN of Idaho) and to include extraneous matter:)

Mr. HOGAN in 10 instances.

Mr. SPRINGER.

Mr. PEYSER in five instances.

Mr. YOUNG of Florida in five instances.

Mr. DERWINSKI in two instances.

Mr. KEATING.

Mr. DUNCAN in four instances.

Mr. BOB WILSON in four instances.

Mr. ZWACH.

Mr. CONTE.

Mr. HANSEN of Idaho.

Mr. FORSYTHE.

Mr. McDONALD of Michigan.

Mr. BROWN of Ohio in four instances.

Mr. WYMAN in two instances.

Mr. MINSHALL in two instances.

Mr. COLLIER in five instances.

Mr. SCHMITZ in two instances.

(The following Members (at the request of Mr. ADAMS) and to include extraneous matter:)

Mr. EDWARDS of California in three instances.

Mr. CORMAN in two instances.

Mr. CARNEY.

Mr. HAGAN in three instances.

Mr. ROGERS in three instances.

Mr. GONZALEZ in three instances.

Mr. FOUNTAIN in two instances.

Mr. KLUCZYNSKI in two instances.

Mr. RARICK in three instances.

Mr. GREEN of Pennsylvania in two instances.

Mr. MITCHELL in four instances.

Mr. WRIGHT.

Mr. JONES of Tennessee.

Mr. DINGELL.

Mr. JONES of Alabama.

Mr. HARRINGTON.

Mr. RANGEL.

Mr. JOHNSON of California.

Mr. CABELL.

Mr. REES in two instances.

Mrs. MINK.

Mr. BINGHAM in three instances.

Mr. OBEY in six instances.

Mr. DOWNING.

ADJOURNMENT

Mr. ADAMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 29 minutes p.m.) the House adjourned until tomorrow, Thursday, March 2, 1972, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1676. A letter from the Acting Secretary of the Treasury, transmitting the 16th annual report of the financial condition and results of the operation of the highway trust fund, pursuant to section 209(e)(1) of the Highway Revenue Act of 1956, as amended (H. Doc. No. 92-258); to the Committee on Ways and Means and ordered to be printed.

1677. A letter from the Acting Secretary of the Treasury, transmitting the first annual report on the financial condition and results of the operations of the airport and airway trust fund, pursuant to section 208(e)(1) of the Airport and Airway Revenue Act of 1970, as amended (H. Doc. No. 92-259); to the Committee on Ways and Means and ordered to be printed.

1678. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the economics of clean air, containing estimates of governmental and private expenditures for the prevention and control of air pollution, pursuant to section 312(a) of the Clean Air Act; to the Committee on Interstate and Foreign Commerce.

1679. A letter from the Administrator, Environmental Protection Agency, transmitting a report on progress in the prevention and control of air pollution, covering calendar year 1971, pursuant to section 313 of the Clean Air Act, as amended; to the Committee on Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

1680. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Inter-American Social Development Institute for fiscal year 1971 (H. Doc. No. 92-260); to the Committee on Government Operations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPINALL: Committee of conference. Conference report on S. 602. (Rept. No. 90-892. Ordered to be printed.

Mr. ASPINALL: Committee of conference. Conference report on S. 671. (Rept. No. 92-893): Ordered to be printed.

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 8763. A bill to establish the Oregon Dunes National Recreation Area in the State of Oregon, and for other purposes; with an amendment (Rept. No. 92-894). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10390. A bill to extend the life of the Indian Claims Commission, and for other purposes; with amendments (Rept. No. 92-895). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Interior and Insular Affairs. H.R. 12749. A bill to authorize appropriations for the

saline water conversion program for fiscal year 1973 to delete section 6(d) of the Saline Water Conversion Act, and for other purposes; with amendments (Rept. No. 92-896). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 13492. A bill to prohibit Federal assistance to rental housing projects where tenants are not allowed to have dogs, or to local governments which do not permit dogs in rental housing; to the Committee on Banking Currency.

H.R. 13493. A bill to amend title 38 of the United States Code in order to establish a separate non-service-connected disability pension system for certain veterans age 72 or over, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 13494. A bill to amend title 38 of the United States Code to provide that Paget's disease developing a 10 percent or more degree of disability within 5 years after separation from active service during a period of war shall be presumed to be service connected; to the Committee on Veterans' Affairs.

By Mr. BURKE of Massachusetts (for himself and Mr. MILLS of Arkansas):

H.R. 13495. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 13496. A bill to amend title 28, United States Code, to provide in civil cases for juries of six persons, and for other purposes; to the Committee on the Judiciary.

By Mr. CLARK:

H.R. 13497. A bill to amend the Internal Revenue Code of 1954 to provide that certain bond interest received by individuals 65 or over shall be excluded from gross income; to the Committee on Ways and Means.

By Mr. COLLINS of Texas (for himself and Mr. ROE):

H.R. 13498. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN:

H.R. 13499. A bill to authorize the Secretary of State to furnish assistance for the resettlement of Soviet Jewish refugees in Israel; to the Committee on Foreign Affairs.

H.R. 13500. A bill to expand the scope of the National Heart and Lung Institute, to provide for special emphasis on the prevention of arteriosclerosis and the creation of cardiovascular disease prevention centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 13501. A bill to amend section 120 of title 23, United States Code, to provide that the Federal share payable for Interstate System projects shall be 100 percent, and for other purposes; to the Committee on Public Works.

H.R. 13502. A bill to amend title II of the Social Security Act to provide a 20-percent across-the-board increases in benefits thereunder, to increase the amount of earnings counted for benefit and tax purposes, and to make appropriate adjustments in social security tax rates; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 13503. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applica-

tions for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON:

H.R. 13504. A bill to establish an executive department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

By Mr. HATHAWAY (for himself and Mr. TEAGUE of Texas):

H.R. 13505. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance under chapter 21 thereof to veterans who are permanently housebound as a result of service-connected disability; to the Committee on Veterans' Affairs.

By Mr. KARTH:

H.R. 13506. A bill to amend the Federal Aviation Act of 1958 and the Interstate Commerce Act to authorize reduced-fare transportation on a space-available basis for certain persons who are 65 years of age or older; to the Committee on Interstate and Foreign Commerce.

By Mr. KARTH (for himself and Mr. BLATNIK):

H.R. 13507. A bill to amend title II of the Social Security Act to provide a 20-percent across-the-board increase in benefits thereunder, to increase the amount of earnings counted for benefit and tax purposes, and to make appropriate adjustments in social security tax rates; to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself and Mr. ZABLOCKI):

H.R. 13508. A bill to provide for the establishment of the Thaddeus Kosciuszko Home National Historic Site in the State of Pennsylvania, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KYROS:

H.R. 13509. A bill to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MINISH:

H.R. 13510. A bill to amend title II of the Social Security Act to provide a 20-percent across-the-board increase in benefits thereunder, to increase the amount of earnings counted for benefit and tax purposes, and to make appropriate adjustments in social security tax rates; to the Committee on Ways and Means.

By Mrs. MINK (for herself and Mr. MATSUNAGA):

H.R. 13511. A bill to enable consideration of the Kokee Water project, Hawaii, under the provisions of the Small Reclamation Projects Act (70 Stat. 1044) as amended; to the Committee on Interior and Insular Affairs.

By Mr. NIX:

H.R. 13512. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress; to the Committee on Foreign Affairs.

By Mr. PURCELL (for himself and Mr. STEED):

H.R. 13513. A bill to enable wheat producers, processors, and end-product manufacturers of wheat foods to work together to establish, finance, and administer a coordinated program of research, education, and promotion to maintain and expand markets for wheat and wheat products for use as human foods within the United States; to the Committee on Agriculture.

By Mr. PURCELL, (for himself, Mr. ABUREZK, Mr. ALEXANDER, Mr. ANDREWS, Mr. ASPINALL, Mr. BERGLAND, Mr. DENHOLM, Mr. FOLEY, Mr. HAL-

PERN, Mr. HANSEN of Idaho, Mr. LINK, Mr. McCLURE, Mr. McCOLLISTER, Mr. McCORMACK, Mr. MELCHER, Mr. NELSEN, Mr. RONCALIO, Mr. ROY, Mr. SEBELIUS, Mr. SHRIVER, Mr. TERRY, Mr. THONE, Mr. ULLMAN, Mr. WINN, and Mr. ZWACH):

H.R. 13514. A bill to enable wheat producers, processors, and end-product manufacturers of wheat foods to work together to establish, finance, and administer a coordinated program of research, education, and promotion to maintain and expand markets for wheat and wheat products for use as human foods within the United States; to the Committee on Agriculture.

By Mr. RANGEL (for himself, Mrs. ABZUG, Mr. BADILLO, Mr. BURTON, Mrs. CHISHOLM, Mr. CLAY, Mr. COLLINS of Illinois, Mr. CONYERS, Mr. DELUMS, Mr. DIGGS, Mr. DOW, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FRASER, Mr. FRENZEL, Mr. GALLAGHER, Mr. HALPERN, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. MALLARY, Mr. MAZZOLI, Mr. MIKVA, Mr. MORSE, Mr. PEPPER, and Mr. RIEGLE):

H.R. 13515. A bill to restore the right to vote in Federal elections to certain disenfranchised citizens; to the Committee on House Administration.

By Mr. RANGEL (for himself, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SANDMAN, Mr. SEIBERLING, Mr. STOKES, Mr. METCALFE, Mr. HAWKINS, Mr. MITCHELL, and Mr. NIX):

H.R. 13516. A bill to restore the right to vote in Federal elections to certain disenfranchised citizens; to the Committee on House Administration.

By Mr. YOUNG of Florida (for himself and Mr. MIZELL):

H.R. 13517. A bill to amend the Communications Act of 1934 to direct the Federal Communications Commission to require the establishment nationally of an emergency telephone call referral system using the telephone number 911 for such calls; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of Ohio (for himself, Mr. DUNCAN, Mr. HALPERN, Mr. HANSEN of Idaho, and Mr. CARTER):

H.R. 13518. A bill to amend the Communications Act of 1934 by authorizing general support grants to defray the ordinary operating costs of noncommercial educational radio and television broadcast stations and by establishing the long-range financing of public broadcast programming through the Corporation for Public Broadcasting in a manner consistent with the original intent of the Public Broadcasting Act of 1967; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLIER:

H.R. 13519. A bill to amend the Tariff Schedules of the United States to provide for the duty-free entry of mica films; to the Committee on Ways and Means.

By Mr. DELLENBACK:

H.R. 13520. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to recognize the difference in hazards to employees between the heavy construction industry and the light residential construction industry; to the Committee on Education and Labor.

By Mr. GUBSER:

H.R. 13521. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for purposes of the Federal estate tax for certain amounts left by the decedent to certain handicapped individuals; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 13522. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for grants to cities for improved

street lighting; to the Committee on the Judiciary.

By Mr. LINK (for himself, and Mrs. ANDREWS of North Dakota):

H.R. 13523. A bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain water resource development proposals; to the Committee on Interior and Insular Affairs.

By Mr. NIX:

H.R. 13524. A bill to provide for the establishment of projects for the dental health of children to increase the number of dental auxiliaries, to increase the availability of dental care through efficient use of dental personnel, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SHIPLEY:

H.R. 13525. A bill to amend title II of the Social Security Act to provide a 20-percent across-the-board increase in benefits thereunder, to increase the amount of earnings counted for benefit and tax purposes, and to make appropriate adjustments in social security tax rates; to the Committee on Ways and Means.

By Mr. THOMPSON of Georgia:

H.R. 13526. A bill to amend the Internal Revenue Code of 1954 to raise the estate tax exemption from \$60,000 to \$100,000; to the Committee on Ways and Means.

By Mr. ABBITT:

H.J. Res. 1086. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations shall not exceed revenues of the United States, except in time of war or national emergency; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. STUCKEY, Mr. YOUNG of Florida, Mr. BROYHILL of North Carolina, Mr. DERWINSKI, Mr. SAYLOR, Mrs. HICKS of Massachusetts, Mr. KEMP, Mr. DINGELL, Mr. ABBABO, Mr. ZWACH, Mr. DORN, Mr. MILLER of California, Mr. PICKLE, Mr. BEVILL, Mr. TERRY, Mr. CLEVELAND, Mr. MINSHALL, Mr. GAYDOS, Mr. WAGGONER, Mrs. HANSEN of Washington, Mr. WILLIAM D. FORD, Mr. HUNT, Mr. FISHER, and Mr. HALPERN):

H.J. Res. 1087. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. SEBELIUS, Mr. LONG of Maryland, Mr. FLOWERS, Mr. ROBINSON of Virginia, and Mr. ALEXANDER):

H.J. Res. 1088. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. CULVER (for himself, Mr. ABOUREZK, Mrs. ABZUG, Mr. ADAMS, Mr. ANDERSON of Illinois, Mr. ASHLEY, Mr. ASPIN, Mr. BEGICH, Mr. BINGHAM, Mr. BOLAND, Mr. BOLLING, Mr. BRADEMANS, Mr. BROOKS, Mr. BURKE of Florida, Mr. BURTON, Mr. CORMAN, Mr. DAVIS of Georgia, Mr. DELLUMS, Mr. DERWINSKI, Mr. DOW, Mr. DRINAN, Mr. DU PONT, Mr. EDWARDS of California, Mr. EVANS of Colorado and Mr. FASCELL):

H. Con. Res. 546. Concurrent resolution expressing the sense of the Congress regarding steps to strengthen the foreign policy of the United States through measures relating to the domestic economy; to the Committee on Foreign Affairs.

By Mr. CULVER (for himself, Mr. MOORHEAD, Mr. MORSE, Mr. MOSHER, Mr. MOSS, Mr. MURPHY of Illinois,

Mr. NEDZI, Mr. OBEY, Mr. O'HARA, Mr. PEPPER, Mr. PIKE, Mr. PREYER of North Carolina, Mr. PRICE of Texas, Mr. REES, Mr. REID, Mr. REUSS, Mr. ROSENTHAL, Mr. ROYBAL, Mr. RYAN, Mr. SCHEUER, Mr. SEIBERLING, Mr. SMITH of Iowa, Mr. STEELE, Mr. STOKES, and Mr. SYMINGTON):

H. Con. Res. 547. Concurrent resolution expressing the sense of the Congress regarding steps to strengthen the foreign policy of the United States through measures relating to the domestic economy; to the Committee on Foreign Affairs.

By Mr. CULVER (for himself, Mr. FOLEY, Mr. WILLIAM D. FORD, Mr. FRASER, Mr. FRELINGHUYSEN, Mr. GIBBONS, Mr. GUDE, Mr. HAMILTON, Mr. HANNA, Mr. HARRINGTON, Mr. HATHAWAY, Mr. HAYS, Mr. HOWARD, Mr. HUNGATE, Mr. JACOBS, Mr. KARTH, Mr. KOCH, Mr. LINK, Mr. McCORMACK, Mr. MAILLIARD, Mr. MATSUNAGA, Mr. MEEDS, Mr. MIKVA, and Mrs. MINK):

H. Con. Res. 548. Concurrent resolution expressing the sense of the Congress regarding steps to strengthen the foreign policy of the United States through measures relating to the domestic economy; to the Committee on Foreign Affairs.

By Mr. CULVER (for himself, Mr. THOMPSON of New Jersey, Mr. UDALL, Mr. WALDIE, Mr. WHALEN, Mr. WOLFF, Mr. YATES, Mr. YATRON, Mr. ZABLOCKI, and Mr. ZWACH):

H. Con. Res. 549. Concurrent resolution expressing the sense of the Congress regarding steps to strengthen the foreign policy of the United States through measures relating to the domestic economy; to the Committee on Foreign Affairs.

By Mr. GRAY (for himself, Mr. HAYS, Mr. THOMPSON of New Jersey, Mr. ABBITT, Mr. DENT, Mr. NEDZI, Mr. HAWKINS, Mr. GETTYS, Mr. PODELL, Mr. ANNUNZIO, Mr. MOLLOHAN, Mr. WARE, and Mr. VEYSEY):

H. Con. Res. 550. Concurrent resolution providing for the installation of security apparatus for the protection of the Capitol complex; to the Committee on House Administration.

By Mr. BROTZMAN (for himself and Mr. ALEXANDER):

H. Res. 855. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. NIX:

H. Res. 856. Resolution: International Conference on Management of Nuclear Wastes; to the Committee on Foreign Affairs.

By Mr. PEPPER (for himself and Mr. WIGGINS):

H. Res. 857. Resolution providing for the expenses of the House Select Committee on Crime; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. RUPPE:

H.R. 13527. A bill to direct the Secretary of the Interior to convey certain public land in the State of Michigan to the Wisconsin Michigan Power Co.; to the Committee on Interior and Insular Affairs.

By Mr. WRIGHT:

H.R. 13528. A bill for the relief of S. Sgt. Chester R. Jordan, U.S. Air Force; to the Committee on the Judiciary.